

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

July 10, 2017
6:00 p.m.

Conference Room 1E-113
Bellevue, Washington

PRESENT: Mayor Stokes, Deputy Mayor Chelminiak, and Councilmembers Lee, Robertson,¹ Robinson, Simas, and Wallace²

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:06 p.m., with Mayor Stokes presiding. There was no Executive Session.

City Manager Brad Miyake provided an update on the Bellevue Family 4th celebration and fireworks display at Downtown Park. He said improvements to the Downtown Park, including a new gateway and the Inspiration Playground, were recently completed. He thanked the Bellevue Rotary for raising more than \$4 million to construct the playground. He thanked Patrick Foran, Director of Parks and Community Services; Glenn Kost, Parks Planning Manager; Ken Kroeger, Downtown Park Project Manager; and Pam Fehrman, Inspiration Playground Project Manager for their hard work.

Shelley McVein, Deputy Director, Parks and Community Services, reported that more than 1,200 people attended the June 28 Downtown Park ribbon-cutting for the completed improvements. She said the project demonstrates what can be accomplished through a strong vision for the future as well as the value of working with community partners. Ms. McVein said an estimated 70,000 individuals attended the 4th of July event. She presented a slide show of Downtown Park and the Inspiration Playground.

2. Approval of Agenda

→ Deputy Mayor Chelminiak moved to approve the agenda, amended to move Agenda Item 5(d) to occur following Agenda Item 5(a). Councilmember Simas seconded the motion.

¹ Councilmembers Lee and Robertson arrived at 6:11 p.m.

² Councilmember Wallace left the meeting at 8:07 p.m., after recusing himself from further participation related to the Downtown Livability Initiative Land Use Code Amendments.

→ The motion to approve the agenda, as amended, carried by a vote of 7-0.

3. Oral Communications

- (a) Clark Kramer, representing Trailer Inns RV Park, thanked the City Council and staff for working with them on the zoning for their project. He asked the Council to consider a change to retail space requirements for their residential project in the Eastgate area. He said the project is on a dead-end street and is not conducive to retail activity. He noted their interest in providing a bike path connecting to the residential development above the site.
- (b) Brian Palidar said he is an architect working with Clark Kramer. He thanked the Council, Planning Commission, and staff for their work. He said the development will provide market housing as well as 16 units of affordable housing. He distributed printed information regarding the project. He asked that the requirement for retail space be restricted to primary street frontages.
- (c) Michelle Wannamaker thanked the Council for approving the near-term traffic improvements in the Eastgate area. However, the projects are not fully funded to be completed within six years, as required by law. She said the projects also do not fulfill the Eastgate Plan, and none of the projects are to be completed within the next 10 years. Ms. Wannamaker said the Eastgate/I-90 Citizen Advisory Committee's report and recommendations are based on 2010 traffic data, and an updated traffic study is needed. She said the first transit improvements will be in eight years. Ms. Wannamaker said the Lincoln Executive Center's proposed Phase 1 project indicates it might include residential development. However, she said that might not occur for 20-30 years. She expressed concern that the near-term development will be office space, which will further contribute to traffic congestion.
- (d) Linda Nohavec said she would submit her comments regarding Eastgate planning and development in writing.
- (e) Ian Morrison, McCullough Hill Leary, and Brian Franklin, PMF Investments, thanked the Planning Commission for its work on the Downtown Livability Land Use Code Amendments. Mr. Morrison expressed support for the recommendations regarding the 60-foot tower separation and 20-foot tower setbacks. Mr. Franklin said they look forward to further development and being a part of Bellevue's new signature skyline.
- (f) Bernie Dochnal spoke on behalf of Communities United for Reliable Energy (CURE), which is solely focused on ensuring that Puget Sound Energy's Energize Eastside project is built in time to have adequate electrical power capacity. She said CURE is a grassroots coalition representing all segments of the community. She thanked the Council for its leadership and the opportunity to speak
- (g) Ross Jacobson spoke in support of the Energize Eastside project, noting that he is a member of the CURE steering committee. He said it is an important project to support growth, and he suggested that opposition to the project is not based on facts. He said it is

important to move forward and to not expect that a future technology will be able to provide the needed capacity. Mr. Jacobson said a number of studies have verified the need for the Energize Eastside project.

- (h) Richard Vasek commented on the proposed Eastgate men's homeless shelter. He is a 30-year resident and homeowner in the Eastgate area. He supports the need for a shelter. However, he questioned the definition of "low-barrier" and whether it includes sex offenders, criminals, and others who need additional help beyond the shelter. He is opposed to having criminals and sex offenders in the Eastgate shelter.
- (i) Alex Zimmerman, President of StandUP-America, expressed concern regarding the Seattle mayor election. He said three King County Councilmembers are running for reelection and have no competition. He expressed support for limiting Bellevue City Councilmembers to two terms.
- (j) Warren Halverson provided an update on Puget Sound Energy's demand for energy use, as reflected in the company's own reports. He said energy demand continues to decrease annually, despite continued development in the area. He said everyone wants reliable power. However, he questioned whether the Energize Eastside project is the right solution.
- (k) Don Marsh, President of the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE), said the group is very fact-driven and would like to work with CURE to determine the best electrical reliability solution for the community. He said the Energize Eastside project Environmental Impact Statement (EIS) points to problems in PSE's plans. CENSE does not believe that rolling blackouts will occur, as projected by PSE. Mr. Marsh noted large battery solutions and other emerging technologies. He said he would like the City Council to meet with members of CENSE and CURE together to discuss electrical reliability needs.

4. Consent Calendar

→ Deputy Mayor Chelminiak moved to approve the Consent Calendar, and Councilmember Robertson seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 7-0, and the following items were approved:

- (a) Council Minutes
 - Minutes of June 5 Study Session
 - Minutes of June 5 Regular Session
 - Minutes of June 12 Extended Study Session
 - Minutes of June 19 Study Session
 - Minutes of June 19 Regular Session

- (b) Resolution No. 9286 authorizing execution of Amendment No. 1 to the existing Professional Services Agreement with Hayre McElroy & Associates, LLC, in the amount of \$59,667, plus all applicable taxes, for additional third party testing, monitoring, and reporting services to support construction of the Complete the Circle and Inspiration Playground projects at the Bellevue Downtown Park.
- (c) Resolution No. 9287 authorizing execution of a Professional Services Contract with MacLeod Reckord Landscape Architects for landscape architectural, engineering, and site design services, in the amount of \$568,826, plus all applicable taxes, to complete the design of the NE entry to the Downtown Park.
- (d) Motion to award Bid No. 17053 for Coal Creek Hillside Storm Drainage Pipe Replacement to Dungeness Construction, as the lowest responsible and responsive bidder in the amount of \$126,250 plus all applicable taxes (CIP Plan D-64).
- (e) Motion to cancel award of Bid No. 17019 to Arizon Companies and to reject all bids to furnish and install a replacement air supported structure (bubble) at the Robinswood Tennis Center.

5. Study Session

- (a) Council Business and New Initiatives

Mayor Stokes noted that Councilmember Robinson would like to participate remotely for the following week's meeting.

- Deputy Mayor Chelminiak moved to approve the remote participation of Councilmember Robinson during the July 17, 2017 Study Session. Councilmember Lee seconded the motion.
- The motion carried by a vote of 7-0.

- (d) Review of Current Jail Contracts and Proposal to Pursue Interlocal Agreement with City of Wapato for Jail Services

City Manager Brad Miyake introduced discussion regarding a proposed option for jail services. He introduced Assistant Police Chief Patrick Arpin and Sergeant Autumn Fowler to describe the proposal.

Assistant Chief Arpin said the City is currently using the Issaquah jail, King County jail, and SCORE (South Correctional Entity) facility to house misdemeanants. Bellevue averages 15 inmates per day at the SCORE jail, six at Issaquah, and fewer than one inmate per day at the King County jail.

The current Interlocal Agreement with the Issaquah jail has no end date. The contract requires a commitment of five beds per day at a daily rate of \$97, with no booking fee. The Issaquah jail is unable to accept inmates with medical or mental health conditions and has limited capacity for

female inmates. The Interlocal Agreement with SCORE is in effect through December 2018, has a six-bed daily minimum, and charges \$109 per day, with no booking fee. The daily rate will increase to \$120 in 2018.

Assistant Chief Arpin described the proposal to utilize the City of Wapato Jail approximately 150 miles east of Bellevue. Staff visited the jail in February to view the facility, speak to personnel, and to assess the security, capacity, safety, policies and procedures. Inmates would be assigned to the Wapato Jail only if their sentences exceed 30 days and there are no significant medical or mental health issues. The City of Wapato would provide transportation to the jail and charge Bellevue \$40 for transferring the inmate back to Bellevue at the conclusion of the sentence. The jail provides routine medical, dental, and other health care services, as well as transportation to medical facilities as necessary. The Wapato Jail proposal charges a fixed rate of \$60 per day for three years. The agreement may be terminated without cause upon written 30-day notice.

Assistant Chief Arpin compared the City's current three jail services providers with the Wapato option and noted the significant savings of \$60 per day per inmate, with no booking fee. The King County jail has the highest daily rate at \$181, with a booking fee of \$189. Mr. Arpin compared the annual savings, based on five inmates per day, of the Wapato proposal with the current three jail services providers.

Councilmember Robertson expressed support for the proposal. Responding to Ms. Robertson, Sergeant Fowler said Wapato jail personnel would pick up Bellevue's inmates at the Issaquah jail or the SCORE facility. In further response, Sergeant Fowler said individuals with pending medical issues or appointments would not be transferred to Wapato. However, inmates are screened on an individual basis to determine the most appropriate facility. As an example, an inmate who is HIV-positive would be housed where medication is available.

Councilmember Robinson commended the City's probation program and questioned whether the Wapato inmates would have access to the program. Sergeant Fowler said not all inmates are sentenced to probation. However, if so, they would work with the City's probation program upon their release and return to Bellevue.

Responding to Councilmember Simas, Sergeant Fowler said the Wapato jail provides the options of a Super Shuttle to take released inmates to the airport or a Greyhound bus to transport them to another destination. The City of Bellevue will be billed for transport. Ms. Fowler noted that the Wapato jail is implementing video visitations for inmates to talk to family members and friends outside of the area.

- Deputy Mayor Chelminiak moved to direct staff to pursue an Interlocal Agreement with the City of Wapato for jail services, for consideration by the Council. Councilmember Robertson seconded the motion.
- The motion carried by a vote of 7-0.

Mayor Stokes thanked staff for their good work.

(b) Continued Discussion of Eastgate/I-90 Land Use Code Amendments (LUCA) recommended by Planning Commission

Mayor Stokes introduced continued discussion regarding the Eastgate/I-90 Land Use Code Amendment (LUCA) recommendations provided by the Planning Commission. He said the Council will address the Eastgate men's homeless shelter and housing during a separate meeting in the near future.

City Manager Miyake introduced Mac Cummins, the new Director of Planning and Community Development (PCD). Mr. Miyake recalled that the Planning Commission presented its Eastgate LUCA recommendations to the Council last fall. The Council has held four study session discussions on the topic since that time, with the most recent discussion occurring on March 20.

Mr. Miyake said new information has emerged in four areas since the Planning Commission's recommendations, which requires further Council evaluation of the proposed LUCA before adoption. He said staff is seeking Council direction tonight. He recalled that the Council directed staff to pursue a number of actions related to the siting of the men's homeless shelter as part of the Eastgate LUCA, including the formation of a project advisory committee, citywide prohibition of safe injection sites, consideration of options for stronger vehicle parking and camping enforcement, and other items.

Planning Director Dan Stroh introduced Carol Helland, Code and Policy Director; Trish Byers, Code Development Manager; and Terry Cullen, Comprehensive Planning Manager. He recalled ongoing discussions regarding the integrated transportation and land use strategy for the Eastgate area. The CAC's vision for the area outlines an increase in mixed uses with a character that reflects the "City in a Park" theme of Bellevue. Staff is requesting additional Council direction to finalize the Eastgate LUCA for future formal action.

Mr. Stroh said Comprehensive Plan amendments consistent with the CAC report were enacted in 2015. The Planning Commission developed its Land Use Code recommendations for the Eastgate transportation and land use plan, which were presented to the Council in September 2016. The Council subsequently directed staff to conduct a study of near-term transportation improvements, which were presented to the Council in March 2017.

Mr. Cullen said that approximately 16 percent of Bellevue's employment is in the Eastgate area. The capacity to accommodate more office space is limited. As part of the City's overall growth management strategy, the objective is to focus the majority of growth into commercial centers to reduce pressure on residential neighborhoods.

Ms. Byers described a map of the Eastgate area and the three new districts proposed in the LUCA: 1) Eastgate transit-oriented development (EG-TOD), 2) Office Limited Business 2 (OLB 2), and 3) Neighborhood Mixed Use (NMU). The EG-TOD district includes a mix of retail, service, and office uses, as well as residential development, adjacent to the Eastgate Park and Ride facility. The district has a 2.0 floor-area ratio (FAR) and a maximum building height of 160 feet. The NMU district is in the vicinity of the current Albertson's grocery store and is intended for neighborhood services, while allowing residential development as well. Ms. Byers noted that

the Kramer Trailer Inns RV Park property falls within this district. The NMU district is envisioned as a pedestrian-friendly area with multifamily residential development and neighborhood commercial businesses.

Ms. Byers said the OLB 2 district is similar to the OLB district. However, the OLB 2 district is more expansive and intended to provide supportive services for individuals working in the offices (e.g., restaurants, dry cleaners, etc.).

Ms. Byers said each zone has permitted uses, dimensional requirements, development standards, and design guidelines. She noted additional small parcels to be rezoned to Community Business (CB), including the gateway to Bellevue College.

Ms. Byers said a series of ordinances were adopted following the transmittal of the Planning Commission's recommendations, including those addressing marijuana regulations and low impact development (LID) principles. She highlighted a table of proposed LID conformance amendments for the OLB 2, EG-TOD, and NMU districts, which are the same as the LID regulations for the OLB district in terms of lot coverage by structures, maximum hard surface coverage, maximum impervious surfaces, and maximum alternative impervious surfaces.

Ms. Byers said a 50-percent lot coverage by structures is allowed for mixed use development in which more than half of the development is residential. She noted that the Kramers requested a higher percentage of lot coverage for their project.

Moving to transportation issues, Mr. Cullen said the Eastgate/I-90 Land Use and Transportation Study was conducted between 2010 and 2012. At that time, the Council directed the CAC to be sensitive to the limited funding available for large-scale infrastructure improvements and to balance the land uses with the infrastructure. Mr. Cullen said a number of multi-modal improvements have been completed or are in process. Two of the Council's four study session discussions of the Eastgate plan focused on transportation needs.

Mr. Cullen highlighted four recent transportation initiatives that affect the Eastgate area. The Council approved 60-percent design funding for the 150th Avenue SE corridor between Newport Way and I-90. Mr. Cullen said a number of citizens attended the Planning Commission meetings and City Council meetings expressing concerns about transportation. The Council directed a study of the area to identify potential near-term improvements, and approved moving forward with projects along 150th Avenue SE.

The Eastgate Subarea Operational Analysis is underway by the Transportation Department, and the results are anticipated later this year. Mr. Cullen said voters approved the Neighborhood Safety, Connectivity and Congestion Levy in 2016, and the Washington State Department of Transportation is nearing construction of the I-90 peak use shoulder lane project.

Mr. Cullen said the Eastgate TOD will have the most intense development pattern in the area. He recalled that, in March, staff presented potential strategies for land use metering to correlate development with transportation infrastructure. He said the major property owners in the TOD, Urban Renaissance and Miller Global Properties, have proposed their own land use metering

strategy. The strategy builds out over 20 years, with the first phase containing the TOD street, approximately 20,000 square feet of retail, and 600,000 square feet of office. With a 2.0 FAR, the property owners' entitlements could go as high as 1.3 million to 3 million square feet. Their project uses less than half of that potential. Phase 2 would include up to 300 units of multifamily residential development. Mr. Cullen said their proposal provides the street and activates the initial retail spaces. He said staff is seeking direction about whether to move forward with the proposed project.

Responding to Councilmember Robertson, Ms. Helland said the City has used metering strategies in other areas, including Factoria, Wilburton, and the Overlake Hospital site. She said staff proposed a metering strategy option for the Eastgate area but did not receive clear direction to pursue that option. Ms. Helland acknowledged that the Transportation Commission analysis at that time did not suggest that a metering strategy was necessary. She said the proposal before the Council this evening was recommended by the developer. She said the code describes the amount of office development allowed before residential development is required. The current code language is: "During the master development plan process, a mix of residential and office phasing will be described."

Ms. Robertson questioned whether the Eastgate proposal includes the concept of unlocking development activity based on transportation funding. Ms. Helland said it is not the same as the strategy for the extension of NE 4th Street. However, the Council took action to fund the design of improvements along the 150th Avenue SE corridor.

Ms. Robertson expressed a preference for Option 2 described in the meeting packet. Responding to Ms. Robertson, Ms. Helland said Option 2 is the approach reflected in the proposal described by Mr. Cullen. In further response, Ms. Helland said the agenda memo describes the options presented to the Council in March. At that time, there was no direction to pursue a metering strategy. The property owner came forward with a voluntary phasing strategy.

Moving on, Mr. Cullen noted that the City Council approved the Affordable Housing Strategy in June and directed staff to provide incentives for the production of affordable housing in the Eastgate TOD and NMU districts. The Planning Commission recommended a 1.0 FAR exemption for building affordable housing as part of a private development. Mr. Cullen said staff worked with Arthur Sullivan of ARCH (A Regional Coalition for Housing) to establish a ratio of allowing two market-rate units for every unit of affordable housing. He said a provision in LUC 20.20.128 allows for a 15-percent density bonus citywide. However, staff proposes excluding that density bonus in the NMU and EG-TOD districts.

Responding to Councilmember Wallace, Ms. Helland said the affordable housing requirement would extend for the life of the project.

Responding to Councilmember Robertson, Mr. Stroh said a separate MFTE (Multifamily Tax Exemption) analysis will be conducted after the current MFTE ordinance is modified to be consistent with the recently adopted affordable housing strategy.

Councilmember Wallace questioned whether the MFTE could be combined with the density bonus. Mr. Stroh said the development would need to provide more affordable units. In further

response, Mr. Stroh said staff has not fully worked through the MFTE adjustments associated with the density bonus component. He said the City might want to provide a developer option to determine which incentive, or a combination of the two, is better. Mr. Wallace said the MFTE provides an initial impetus to an apartment project. He suggested that a scenario allowing the developer to stack the incentives, and to revert certain units to 80-percent AMI units after a period of time, would go farther to provide a development incentive.

Moving on, Ms. Helland said the owners of the Trailers Inn RV Park are seeking additional flexibility to make the affordable housing requirements feasible for their site and to achieve their development objectives. In March, the Council suggested that staff meet with Clark Kramer and Todd Woosley to identify opportunities to narrow the gap between their development vision and the code regulations recommended by the Planning Commission. Ms. Helland said she believes the gap has been narrowed considerably and related provisions are recommended by staff. She said allowing the 1.0 FAR increase and a 2:1 ratio of two market-rate units per affordable housing units at the 80-percent AMI level would generate, under the Kramer development proposal, approximately 60 affordable units. The proposal indicates that allowing a 50-percent maximum lot coverage for mixed use development is consistent with achieving their development objectives. They would like to retain the opportunity to establish retail auto sales on the NMU site that is currently zoned CB.

Ms. Helland noted earlier public comment by Mr. Kramer requesting the elimination of the requirement for retail space for sides of the building not facing 37th Street. She said they are concerned about the lack of foot traffic to support retail businesses at the end of the street. Ms. Helland said staff's perspective was that the purpose of adding the NMU district is to provide greater flexibility than the current Neighborhood Business (NB) by allowing residential development.

Ms. Helland clarified that retail uses are not the only uses intended for the main floor in the NMU district. The objective is to encourage the types of neighborhood uses wanted by residents. The requirement is not for retail space but rather for non-residential uses (e.g., professional and health care services, financial and insurance services, real estate offices, auto services, etc.). She noted an idea for live-work units to meet the objectives contemplated in the Comprehensive Plan update. Ms. Helland said staff recommends retaining the requirement for non-residential uses on the main floor of the development on both streets bordering the Kramer site.

Mr. Cullen said the site has unique access issues and potential transportation impacts. However, there is transit access.

Ms. Helland requested Council direction on LID standards for the three new Eastgate land use districts, phasing strategy proposed in the Eastgate TOD district, FAR incentive, and auto sales in the NMU district that was previously zoned CB. She suggested discussing each item separately to receive Council direction. Staff will return with a revised LUCA consistent with Council direction for formal adoption.

Ms. Helland questioned whether to incorporate LID standards for the EG-TOD, NMU and OLB2 districts.

Deputy Mayor Chelminiak suggested moving forward with incorporating LID standards. Mayor Stokes noted Council concurrence.

Councilmember Robertson expressed support for incorporating land use phasing in the Eastgate TOD area, and the Council concurred.

Responding to Deputy Mayor Chelminiak regarding the 2:1 ratio for market versus affordable housing units, Ms. Helland confirmed that the 2:1 ratio applies to the units added by the 1.0 FAR bonus.

Councilmember Robertson expressed support for staff's proposal for Eastgate development, including eliminating the 15-percent density bonus applicable citywide. However, she would like a better understanding of how the density bonus will work with the MFTE, given that the MFTE involves a 12-year requirement for affordable housing, while the density bonus applies forever.

Councilmember Simas noted that the MFTE affects 65-percent AMI units. He questioned the feasibility of both 65-percent and 80-percent units within a development.

Ms. Helland said the original suggestion from the Planning Commission was to provide the 1.0 FAR exemption. Staff suggested the proposed ratio of 2:1 and anticipated further analysis of the MFTE.

Councilmember Robertson expressed interest in an analysis of different scenarios. For example, could the Kramer development use the MFTE to provide 65-percent AMI units for 12 years, and then convert the units to 80-percent AMI beyond that point?

Councilmember Simas requested clarity, before adoption of the LUCA, to understand the resulting development from specific incentives and bonuses.

Councilmember Robinson expressed support for the proposed incentives in the EG-TOD and NMU districts. However, the Kramer proposal for the Trailer Inns RV Park is more complicated and needs clarification. Ms. Robinson said she would like to consider how to incentivize housing units for households below the 80-percent AMI level. She expressed concern that the site is currently housing low-income individuals. If the site is redeveloped, where would those people go? Would there be relocation assistance?

Mayor Stokes commented that the proposal provides a great opportunity to accomplish a number of objectives.

Ms. Robinson noted her two primary interests: What is the impact of the proposed development on the surrounding neighborhood? How much affordable housing will be created?

Ms. Helland requested Council direction regarding whether to allow auto sales in NMU areas that were previously zoned CB.

Councilmember Wallace referred to the previous issue and suggested an analysis of a scenario with a 75,000 square foot lot and an average apartment size of 750 square feet. What are the maximum number of 80-percent AMI units that could be provided with the FAR bonus? If the MFTE is added, how many of those units would rent at lower rates for 12 years before reverting to 80-percent AMI units?

Referring to Councilmember Robinson's suggestion for lower AMI level units, Mr. Wallace said there might be an opportunity for a super bonus (i.e., 2.0 FAR bonus). However, traffic impacts would need to be analyzed.

With regard to auto sales, Councilmember Wallace said he feels it continues to be an acceptable use, especially given its proximity to the freeway.

Councilmember Wallace said he had questions regarding the site between Root Sports and an office building. He questioned the viability of any business on the ground floor of development at the dead-end of the street. He opined that it is not feasible to locate commercial space on the ground floor of the interior road on a lot that is not easily accessed. He suggested perhaps requiring non-residential uses facing 37th Street, while requiring some type of active space on the ground floor facing 156th Avenue (i.e., apartment building amenities).

Ms. Helland said staff understands concerns about the site. However, the NMU district was created to add residential units to NB zoning. If eliminated, the result would be a large residential project without the neighborhood amenities envisioned to make the NMU district work as intended. Mr. Wallace observed that the Albertson's shopping center has a number of vacant spaces. He opined that businesses on the dead-end street would be even less viable. Ms. Helland said the long-term vision for the area is to provide mixed uses.

Mayor Stokes said the plan looks good. However, perhaps the City can be more flexible.

Mr. Wallace clarified that the Albertson's has good visibility and access. However, he is concerned about the access to the Kramer property.

Councilmember Lee concurred with Mr. Wallace's comments and spoke in support of employing flexibility in working with the property owners to facilitate a viable project.

Deputy Mayor Chelminiak spoke in favor of retaining requirements for mixed uses, including live-work spaces. He questioned how the requirement can be implemented throughout the NMU district while providing the flexibility for specific sites. Ms. Helland said staff will draft code language for the Council's consideration. However, Mr. Chelminiak said he is not stating a preference for granting the request for the Kramer site.

Mr. Lee indicated that he does support the Kramer request.

Responding to Councilmember Robertson, Ms. Helland said non-residential uses could include a lobby for the residential development on upper floors. The intent is for mixed uses, but not

necessarily retail uses, including health care offices, health clubs, recreation, financial services, social services, auto services, and general office uses.

Noting the next Agenda Item, Councilmember Wallace said he would no longer participate in discussions regarding the Downtown Livability Initiative Land Use Code amendments. He recalled his disclosure the previous week about his parents owning property in the Downtown as well as his job representing clients in the Downtown. While his participation does not violate the City's Ethics Code and he has no conflicts of interest, he has given more thought to the appearance of a conflict of interest. Mr. Wallace said he does not want any issues related to his participation to cloud the City's process. He noted this was a personal decision and is not based on any comments from or conversations with others.

Mayor Stokes thanked Mr. Wallace for his important contributions to the discussion to date.

At 8:07 p.m., Mayor Stokes declared a short break. Mr. Wallace left the meeting. The meeting resumed at approximately 8:23 p.m.

- (c) Continued consideration of Planning Commission Recommendations on the Downtown Livability Initiative Land Use Code Amendments [LUC 20.25A]

City Manager Miyake recalled previous discussions regarding the Planning Commission's recommendations on the Downtown Livability Initiative Land Use Code Amendments [LUC 20.25A]. During the discussion with the Council on June 26, the Council requested additional information on specific items.

Planning Director Dan Stroh introduced the list of memory book topics identified by the Council: Downtown transportation analysis, tower separation and setbacks, Downtown parking flexibility, and small site exceptions and deviations. He noted the proposed meeting schedule leading to the final adoption of the Downtown Livability code amendments in September. He recalled the work of the Council-appointed Citizen Advisory Committee (CAC) and the Planning Commission's subsequent review. The Council adopted a number of early wins while the Commission continued to evaluate and refine its recommendations.

Kevin McDonald, Senior Planner, recalled that the Transportation Commission submitted its recommendation on the Downtown Transportation Plan to the Council in 2013. The plan reflected multiple transportation modes including walking, bicycling, driving a car, and riding transit. Both the Downtown Transportation Plan and the Downtown Livability Initiative used the 2030 market forecast to predict employment and population growth. The 2010-2030 land use forecast projects a growth in employment of 27,775 jobs and a population increase of 11,853 individuals.

Mr. McDonald said the work of the Downtown Transportation Plan was to determine how to handle the 665,000 daily person trips projected for 2030. He presented a map showing vehicle counts for Downtown arterials, and noted that traffic volumes are relatively flat from 1991-2015. The Transportation Commission studied the traffic volumes and determined that many people are using multiple transportation modes. Mr. McDonald noted that transportation capacity improvements have been completed over time as well.

Mr. McDonald described pedestrian, bicycle, vehicle, and transit mobility, noting the City's investments in improving the pedestrian environment. Investments in bicycle mobility are being implemented through the Downtown Implementation Plan and levy projects. Mr. McDonald said the components of transit mobility are service coverage, speed and reliability, capacity, comfort, access, and information. He said transit coverage in 2030 will reflect that 97 percent of those who live or work in the Downtown will be within a 600-foot walk of a stop on the Frequent Transit Network, up from 86 percent in 2010.

Mr. McDonald said work on the Downtown Transportation Plan has been coordinated with the Downtown Livability Initiative study. Traffic impacts have been analyzed relative to the proposed Land Use Code amendments. He noted that the Downtown Livability Initiative growth scenario by 2030 is slightly better than the Downtown Transportation Plan scenario in terms of average vehicle delay at Downtown intersections. Mr. McDonald said mobility and livability in Downtown Bellevue envision a mixed, dense land use pattern with opportunities for walking, biking, and riding transit. A combination of mobility strategies keeps the rate of traffic growth below the rate of land use growth.

Councilmember Simas questioned how traffic volumes have increased only slightly despite the significant increase in population and job growth. Mr. McDonald said the first traffic analysis for the Downtown Transportation Plan in the 1980s reflected approximately 150,000 daily person trips. That increased to 300,000 in 2010, and more than 600,000 daily trips are anticipated in 2030. However, the number of vehicle trips is roughly the same because people are using transit, walking and biking. He said a person trip includes a person walking across the street to go to lunch or to work.

Mr. Simas noted the frustration in the community regarding Downtown traffic and construction impacts. Mr. McDonald said that a lot of the traffic delay on Bellevue Way is related to traffic volumes, accidents, and other events that occur outside of the Downtown. He acknowledged that construction traffic management is a challenge and noted that traffic mitigation measures are targeted to accommodate anticipated traffic patterns.

Responding to Mr. Simas, Mr. McDonald said staff is confident that the data reflecting Downtown traffic is accurate and that it reflects the increasing use of multiple travel modes. He said the 2030 travel demand model incorporates the best assumptions known today for projecting traffic volumes, and the analysis indicates that traffic will function better in the future with the changes reflected in the Downtown Livability Initiative code changes.

Responding to Councilmember Lee, Mr. McDonald said the maps reflect the average delay of all intersections in the Downtown. However, no individual experiences the average because sometime they experience no delay and other times they experience longer delays. Mr. McDonald said staff is analyzing corridor travel times to identify options for improving those travel times. Mr. Lee expressed an interest in seeing the results of that analysis.

Responding to Deputy Mayor Chelminiak, Mr. McDonald said he would provide information on the number of vehicle trips now.

Responding to Mr. Lee, Mr. McDonald said staff is working to collect better data to determine the percentage of people using each travel mode.

Councilmember Robinson said the strategy indicates the importance of addressing multimodal travel options, transit-oriented development (TOD), and other factors. Mr. McDonald suggested thinking of the Downtown as one large TOD in which individuals in the Downtown can walk to transit.

Mayor Stokes suggested that it is important to help people understand that traffic volumes in the traffic model have remained relatively flat while the public is experiencing increased traffic delays and longer travel times.

Moving on, Mr. Stroh introduced discussion regarding tower spacing.

Emil King, Strategic Planning Manager, said three Councilmembers requested more information and discussion regarding the topic of tower spacing on June 26. He said the Downtown is approximately 55-60 percent built out. Tower separation focuses on access to light and air, minimizing shade and shadow, preserving privacy for tower occupants, and improved urban form. He said tower spacing applies to towers higher than 100 feet, and the tower separation begins at 80 feet in height. Mr. King said staff and the Planning Commission considered the tower spacing requirement to apply to heights as low as 45 feet for buildings 80 feet taller or higher.

Mr. King highlighted the areas within the Downtown with proposed maximum building heights above 100 feet. He said most streets within the Downtown grid have a minimum width of 60 feet, which provides tower separation between superblocks. He said Bellevue's right-of-way represents approximately 21 percent of the Downtown land area. As a comparison, Portland and Seattle both have approximately 42 percent of right-of-way in their downtowns. Mr. King said Bellevue's superblocks are approximately 9 acres, while blocks in other downtowns are 2-3 acres.

Mr. King presented tower separation comparisons with San Francisco, Toronto, Philadelphia, Seattle, Honolulu, and Los Angeles. The Planning Commission chose 60 feet as the appropriate tower spacing requirement for Bellevue, which is consistent with building heights in Seattle's Denny Triangle. He said different cities have different separation heights for measuring the tower spacing. Toronto's separation height is 40 feet and Los Angeles' separation height is 150 feet. The Planning Commission recommends a separation height of 80 feet for Bellevue.

Mr. King compared the property line setbacks that apply internally within one development. The setback is as high as 40 feet in Toronto, Vancouver, and Los Angeles and as low as 20 feet in Downtown Seattle. Mr. King said the Planning Commission recommends a 60-foot tower spacing within a development, and 20-foot setbacks for towers developed by separate individuals on the same block. The latter results in a spacing of 40 feet between towers.

Mr. King described examples of tower spacing currently in the Downtown including Avalon, Washington Square, and the Puget Sound Energy/Summit development.

Responding to Councilmember Robertson, Mr. King said there is currently no tower spacing requirement in Bellevue. In further response, Mr. King confirmed that tower spacing can be the result of how the developer uses building heights and/or FAR (floor-area ratio) under the current code.

Mr. King noted that floor plate size and building heights for the PSE site resulted in a tower separation of 55 feet.

Deputy Mayor Chelminiak questioned the logic for the 60-foot separation between towers within a single development/parcel versus the 20-foot setbacks resulting in a 40-foot tower spacing for the development of two separate parcels within the same block. Mr. King said the Planning Commission initially considered an 80-foot separation distance based on 40-foot setbacks on each side of the property line. He said the Commission's recommendation was partly based on the unpredictable nature of development that might occur on a block.

Mr. Chelminiak questioned the selection of 20-foot setbacks instead of 30-foot setbacks, which would match the 60-foot separation requirement within a development.

Ms. Helland said the Planning Commission was persuaded by the existing regulations set by the Building Code. Currently, property owners adjacent to an internal property line are required to set their towers back 20 feet. Increasing the distance would result in a restriction that is not currently in place. Ms. Helland said developers are currently providing a desired tower separation due to their interest in creating light and air that is beneficial to the tenants of a development. Mr. Chelminiak said an argument could be made for a 30-foot setback for consistency in tower spacing. However, he acknowledged the logic of the Planning Commission's determination to maintain the current setback code.

Responding to Councilmember Robinson, Ms. Helland said there is no required separation distance between building podiums. Ms. Robinson questioned whether a developer could decrease tower spacing for any reason. Ms. Helland said there are criteria to allow a reduce separation through an administrative departure approval. One example is two towers that were allowed to be closer because they are offset versus directly facing each other.

In further response to Councilmember Robinson, Ms. Helland said the standards for considering departures are objective and documented.

Mayor Stokes questioned whether Councilmembers were comfortable with the recommended 60-foot separation between towers within a single parcel or development.

Councilmember Robertson expressed support for the recommendation.

Responding to Councilmember Lee, Ms. Helland said the tower separation requirement within a development can go as narrow as 20 feet if it complies with the criteria for an administrative departure.

Mayor Stokes noted general Council support for the recommended 60-foot tower separation.

Councilmember Robertson questioned whether the Council is comfortable with the 20-foot setback for towers on adjacent separate parcels.

Deputy Mayor Chelminiak said he wants a better understanding of the Planning Commission's consideration of that issue. He respects the Commission's recommendation. However, he expressed an interest in consistent tower spacing within and between developments.

Ms. Robertson expressed support for the recommended 20-foot setback and observed that the distance is related, in part, to emergency vehicle access requirements. She supports the 20-foot setback versus a 60-foot tower spacing between separate parcels because she does not want there to be a situation in which a developer develops within 20 feet of the property line, and a later adjacent development requires a 40-foot setback. Ms. Robertson suggested that the 20-foot setback also makes it more feasible for smaller sites to develop.

Responding to Mr. Chelminiak, Ms. Helland confirmed that building podiums under separate ownership can be next to each other with no separation distance. However, they would be required to provide emergency access elsewhere on the developments.

Councilmember Lee said the Planning Commission studied the topics for a long time, and he is willing to defer to the Commission's recommendation, unless there are specific questions to be resolved. He said the Commission had extensive public engagement in its process.

Moving on, Ms. Helland recalled that three Councilmembers requested more information on the Commission's recommendation regarding parking. Parking requirements for the BelRed area were changed to add the flexibility for project applicants to request, through a study, adjustments to parking requirements. The price to develop a parking stall is currently \$25,000 to \$35,000 for above-ground parking and \$50,000 to \$70,000 for underground parking. Ms. Helland said the City is starting to see projects built with less parking, especially in the Downtown's transit-rich environment.

Ms. Helland highlighted the public hearing proposal before the Planning Commission and the Commission's subsequent recommendation. The original proposal for the public hearing was essentially the flexibility allowed in the BelRed area. Ms. Helland said there was opposition to that proposal during the public hearing, and the Commission's recommendation ultimately carried forward the existing code provisions, which allow the Director to require additional parking in certain situations. Ms. Helland recalled that the City Council previously funded a comprehensive parking study for the Downtown. The Planning Commission determined that changes could be deferred until the study is completed.

Responding to Councilmember Robertson, Ms. Helland noted public comment that developers do not always provide visitor parking for apartments. The Commission recommended adding a mandatory visitor parking component for apartment developments, which could not be adjusted. Developments in the O-1 and O-2 districts do not require visitor parking.

Ms. Robertson said she is comfortable with the Planning Commission's recommendation on parking. She expressed concern that lowering the parking requirement could not be reversed in the future. However, she supports greater flexibility in parking requirements for small sites.

Responding to Deputy Mayor Chelminiak, Ms. Helland confirmed that the Planning Commission's recommendation adds the visitor parking requirement. Mr. Chelminiak noted the increase in multiple transportation modes and density. From the standpoint of affordable housing, he suggested considering the flexibility to increase or decrease parking requirements, as reflected in the initial proposal presented for the public hearing.

Councilmember Robinson said she appreciates the idea of reduced parking requirements to enhance housing and building affordability. However, there is a need for parking for service providers visiting residences and for delivery vehicles. She suggested that perhaps there could be a requirement for parking on a nearby lot to accommodate those situations.

Ms. Helland said one difference between the Downtown and the BelRed area is that parking ratios were adjusted for the BelRed area. The allowance for residential development decreased to .75 parking stalls per unit for housing that is not considered senior or affordable housing. The ratios are not adjusted for the Downtown in terms of the recommended visitor parking requirement.

Councilmember Simas said he would prefer to preserve flexibility and he likes the Planning Commission's recommendation. He supports the requirement for visitor parking due to the inability to park to visit Downtown residents, but he believes it is important to provide flexibility in the requirements as well.

Mayor Stokes observed that the only difference between the initial proposal and the Planning Commission's recommendation is that the latter does not provide the same level of flexibility. He prefers to provide the flexibility to increase or decrease parking requirements based on individual cases.

Mr. Stroh acknowledged the connection between parking requirements and the development of affordable housing. He said providing flexibility allows developers to avoid the expense of parking if the need is not demonstrated.

Ms. Helland said staff has conducted parking studies for a long time. There are uses in the Downtown that are considered unspecified, so they do not have required parking ratios. Hotels and motels fall into that category, and staff evaluates those projects individually to determine a reasonable parking ratio requirement.

Councilmember Robertson said it sounds like the Council is leaning toward providing the parking flexibility approach. Ms. Helland confirmed it would apply to small sites as well. She said staff will restore the public hearing proposal language if directed by the Council.

Ms. Helland recalled that one Councilmember previously questioned whether there is scalability between large and small sites for parking requirements. The recommended code does provide

small site flexibility, and small sites were originally defined as 30,000 square feet. The Planning Commission increased that to 40,000 square feet and provided flexibility for certain exceptions related to open space amenities, tower separation, upper level setbacks, and green/sustainable buildings. Administrative departures are allowed for sidewalk widths, planter strips, street tree spacing, and design guidelines. As an example, Ms. Helland said the former blood bank site on 112th Avenue NE is approximately 40,000 square feet.

Ms. Helland summarized the Council's interest in further discussion regarding tower separation. However, she did not hear a request for additional information. She said staff can provide additional examples of building separation in existing development for Councilmembers to either visit on their own or to tour with staff.

Ms. Helland noted the Council's interest in providing the more flexible parking requirement approach. Councilmember Robertson questioned the Planning Commission's decision to not provide the flexibility for reducing parking requirements. Ms. Helland said the conversation initially focused on Old Bellevue but was ultimately expanded to apply citywide.

Ms. Helland said the topics identified for Council discussion on July 17 are floor plate reduction, open space requirements with added building height, and affordable housing.

Councilmember Robertson stated her understanding that the Planning Commission suggested a range for floor plate reductions. She would like information on the minimum and maximum floor plates for different types of uses. She suggested setting the range appropriately to be feasible for developers.

Councilmember Lee asked whether staff could provide simulations of how development might look under the Planning Commission's recommended requirements.

6. Continued Oral Communications: None.

At 9:56 p.m., Mayor Stokes declared the meeting adjourned.

Kyle Stannert, CMC
City Clerk

/kaw