

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

October 4, 2021
6:00 p.m.

Virtual Meeting
Bellevue, Washington

PRESENT: Mayor Robinson, Deputy Mayor Nieuwenhuis, and Councilmembers Barksdale, Lee, Robertson, Stokes and Zahn

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:00 p.m., with Mayor Robinson presiding.

2. Roll Call; Flag Salute

City Clerk Charmaine Arredondo called the roll. All Councilmembers were present and participating remotely. Councilmember Stokes led the flag salute.

(a) Walk and Bike to School Day Proclamation

Councilmember Barksdale read the proclamation recognizing October 6, 2021 as Bellevue Walk to School Day and encouraged everyone to consider the health and safety of children traveling to and from school every day.

(b) Domestic Violence Action Month Proclamation

Councilmember Lee read the proclamation recognizing October 2021 as Domestic Violence Action Month in Bellevue and encouraged public awareness and action, including through the support of organizations that assist survivors of domestic violence. He encouraged individuals to call LifeWire's 24-hour help line at 425-746-1940 for information or assistance.

3. Approval of Agenda

→ Deputy Mayor Nieuwenhuis moved to approve the agenda, and Councilmember Stokes seconded the motion.

→ The motion carried by a vote of 7-0.

4. Oral Communications

- (a) Mon Wig thanked the Council and staff for their continued hard work on the East Main Station Area Land Use Code Amendment (LUCA). He concurred with the Council's emphasis on providing housing, including affordable housing, and noted that Wig Properties supports most of City staff's recommendations in Option B. He requested minor modifications regarding the floor-area ratio (FAR), amenities and the option for establishing a development agreement. He encouraged the Council and staff to complete the LUCA by December 6, 2021.
- (b) Bill Thurston, representing the Bellevue Club, expressed support for the recommendations in the Wig Properties letter to the City Council dated October 2 regarding their vision for the commercial elements of the transit-oriented development (TOD) in the East Main station area. The recommendations include increasing the base FAR to 3.5 for non-residential uses.
- (c) Lee Striar said he is a senior project manager for a real estate advisory firm that completed an analysis of the East Main Station Area a few years ago. He expressed concern that the area does not have adequate infrastructure (e.g., streets, utilities) to support redevelopment. He said that if infrastructure upgrade costs are added to the project, a minimum FAR of 3.5 is needed to incentivize non-residential development. He noted a base FAR of 4.5 in the adjacent land use district. He said that increasing the base FAR will allow for a more vibrant mixed-use community.
- (d) Barbara Braun urged the Council to update the City's tree code and to amend the mid-biennium budget to complete this work in 2022. She expressed concern regarding the impacts of development and climate change on the tree canopy. She noted that the cities of Kirkland and Redmond have stricter tree codes, and she encouraged the Council to consider adopting Redmond's tree code.
- (e) Jack McCullough noted the proposed changes by Wig Properties regarding building heights and FAR for the East Main area. He acknowledged that additional SEPA (State Environmental Policy Act) review is needed to address building heights. He suggested establishing guidelines and a list of desired amenities for the creation of development agreements. He thanked everyone for all of their work on the East Main land use code over the past seven years.
- (f) Heidi Dean said that construction of the Newport Hills neighborhood park was scheduled to start the next day. She recalled her comments to the Council on September 7 regarding her concerns about the number of parking spaces, which contradicts the parking needs typically identified for a neighborhood park. She said that in 2019, members of the Parks and Community Services Board declared they did not intend to create a destination park to serve those outside of the neighborhood when they voted to approve a large off-leash area for dogs. She expressed concern that she has not heard from staff or the Council since her September 7 comments. She requested a copy of the parking study referenced in the past by the park planner and asked about the determination to include 18-21 parking

spaces at a neighborhood park. Ms. Dean asked the Council to address her concerns regarding the new park and to consider more off-leash dog areas throughout Bellevue as part of the update to the parks and open space plan in 2022.

- (g) Cheryl Pietromonaco expressed concern regarding the impact of smart water meters on people who are sensitive to electromagnetic fields (EMF). She referenced the web site electricssense.com for more information. She expressed concern that smart water meters create an electromagnetic frequency signature in a building's water supply. She noted that she has previously sent related information to the City.

5. Reports of Community Councils, Boards, and Commissions: None.

6. Report of the City Manager

- (a) Outstanding Service Award for Domestic Violence Prosecutor

City Attorney Kathy Gerla announced that Bellevue Domestic Violence Prosecuting Attorney Brie Hopkins recently received an Outstanding Service Award from the Washington State Association of Municipal Attorneys (WSAMA). Ms. Hopkins has worked for the City of Bellevue for seven years and previously held the same role with the City of Everett. She serves on Bellevue's Domestic Violence Task Force, which includes representatives from the Bellevue Police Department, LifeWire, and victim advocacy groups. Ms. Hopkins is a member of the King County Regional Domestic Violence Task Force and is involved in regional and statewide efforts related to domestic violence issues and legislation.

Ms. Hopkins thanked everyone for the recognition. She said that prosecuting domestic violence requires a different mindset than prosecuting other areas of criminal law. She said that much progress has been made to support domestic violence victims and survivors, hold abusers accountable, and to create legislation to further those goals.

Mayor Robinson thanked Ms. Hopkins for her excellent public service.

- (b) Savvy Communications Award

Brad Harwood, Chief Communications Officer, said that in September, the City received a Savvy Communications Award from 3CMA (City-County Communications and Marketing Association) for the COVID-19 pandemic issue of the It's Your City newsletter. The May special edition of the newsletter provided helpful information to residents, especially for those without computer access to public information. The issue is available in five non-English languages. Mr. Harwood said staff from multiple departments were involved in producing the special issue. He thanked Claude Iosso, Digital Communications Coordinator and It's Your City editor, and Michelle DeGrand, Deputy Communications Officer, for their work.

Mayor Robinson congratulated staff on the award and thanked them for their hard work.

7. Council Business and New Initiatives: None.
8. Consent Calendar
 - Deputy Mayor Nieuwenhuis moved to approve the Consent Calendar, and Councilmember Lee 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 September 20, 2021 Regular Meeting
 - (b) Resolution No. 10005 ratifying the Emergency Declaration (date 9/17/2021) of the City Manager for the emergency bypass and replacement of a pressurized sewer line within Lake Hills Pump Station No. 12, located at 365 Lake Sammamish Parkway, Bellevue, WA 98008; and ratifying an emergency contract with Accord Contractors, in the amount of \$252,250, plus all applicable taxes, for the expedited bypass and replacement of the damaged sewer force main at Pump Station No. 12.
 - (c) Motion to award Bid No. 21023 for 2021 Radar Signs and School Flashing Beacon Upgrades (CIP Plan Nos. PW-M-7, PW-M-19 and PW-R-156), to Prime Electric, LLC. as the lowest responsible and responsive bidder, in the amount of \$383,325.00, plus all applicable taxes.
 - (d) Resolution No. 10006 authorizing execution of a Cooperative Watershed Management grant agreement with King County to accept reimbursement grant funds in the amount of \$150,000 for a feasibility study to remove a fish passage barrier on lower Kelsey Creek, and to authorize the expenditure of such funds.
9. Public Hearings: None.
10. Study Session
 - (a) Update on King County's Eastrail Framework Plan for Wilburton

City Manager Brad Miyake introduced staff's update regarding the King County Eastrail Framework Plan for the Wilburton area.

Emil King, Assistant Director, Community Development Department, said that development of the Eastrail is a longstanding Council priority. The Wilburton segment to be discussed tonight will add mobility options, open space, and a major placemaking feature. Mr. King said the project reflects the key theme in the economic development plan of connectivity between people, businesses and open space.

Mike Ingram, Transportation Senior Planner, said the Eastrail is a 42-mile regional corridor extending from Renton to Snohomish County, with a spur connection to Redmond. The section through Bellevue includes the Wilburton Trestle and the NE 8th Street overcrossing near the future Sound Transit light rail station. Mr. Ingram said Amazon recently announced a donation of \$7.5 million to advance the trail corridor, including \$5 million for the Wilburton Trestle project. He noted an additional investment of \$2.5 million from Facebook, REI and Kaiser Permanente.

Mr. Ingram said the Wilburton area is the most urbanized segment along the entire Eastrail corridor. He recalled that the Wilburton Commercial Area Citizen Advisory Committee (CAC) envisioned a higher density, mixed use development pattern for the area. The Eastrail corridor is 100 feet wide and will include the trail, public space and private elements.

Jay Gu, Land Use Planner, said the framework plan collaborative effort involves the Steering Committee (King County Parks, City of Bellevue, Sound Transit, and Eastrail partners), Core Team (King County Parks and City of Bellevue), and consultants Berger Partnership and Third Sector Intelligence (3SI).

Mr. Gu highlighted the community outreach efforts earlier this year including the Virtual Eastrail Walk on July 28, meetings with owners of key adjacent properties, an online survey over the summer, and public meetings with neighborhood and community groups. He noted the community's interest in ensuring that the Eastrail corridor is accessible for all ages and abilities and that it is safe for both pedestrians and cyclists. Public comments expressed support for safety, placemaking, trees and vegetation, seating and gathering places, public art and performance space, and other amenities and activities (e.g., food trucks, events). Mr. Gu said staff will continue to collect additional community input. The next meeting of the Wilburton Eastrail Steering Committee is October 19.

Councilmember Robertson asked whether the Steering Committee is addressing grade separation at NE 4th Street and NE 6th Street when the Grand Connection is developed. Mr. Ingram said the City is preserving the opportunity for grade separation at NE 4th Street. However, it will have significant implications for adjacent properties and how users can access the corridor.

Responding to Ms. Robertson, Mr. Ingram confirmed that the Steering Committee is interested in creating guidance for adjacent property owners and others who want to provide amenities along the corridor.

Councilmember Stokes said he has been involved with the Eastrail planning effort since 2017. He is pleased to see the project continuing to move forward and he expressed support for art and activities along the corridor. He said this is a true regional effort and he thanked staff for all of their work.

Councilmember Barksdale concurred with the importance of activating public and private spaces along the corridor. He encouraged the consideration of festival streets to make it easier for nonprofit and community based organizations to use the space as well. Mr. Ingram confirmed that staff has heard similar suggestions from the public and that all options are being considered.

Councilmember Zahn asked about neighborhood access to the Eastrail. She expressed support for activities along the trail including educational opportunities, heritage displays, edible gardens, exercise stations, and events (e.g., organized running and cycling events).

Responding to Councilmember Zahn, Mr. King concurred with the importance of outreach and robust community engagement in planning for the future residents and businesses in the area.

Councilmember Lee said the opportunities along the Eastrail corridor are almost unlimited and the impacts could be significant. He said the trail has a story to tell about the history and heritage of Bellevue. He noted opportunities for the use of technology to activate spaces. He encouraged continued community outreach and engagement during the planning process.

Deputy Mayor Nieuwenhuis thanked staff for the presentation and concurred with his colleagues' comments regarding placemaking, accessibility, public art and other amenities. Responding to Mr. Nieuwenhuis, Mr. Ingram said there has been a great deal of community input and discussion regarding the need for design features that ensure safe biking and pedestrian use.

Responding to Mayor Robinson, Mr. Ingram said the Eastrail will connect directly to the Wilburton light rail station. He noted the City's interest in providing a strong connection at Main Street to the East Main light rail station as well. He said staff is looking at how the trail can connect people to Downtown Bellevue and to the Spring District in the BelRed corridor.

At 7:13 p.m., Mayor Robinson declared a break. The meeting resumed at 7:32 p.m.

(b) Land Use Code Amendment (LUCA) for East Main Station Area

Mr. Miyake introduced discussion regarding the East Main Station Area Land Use Code Amendment (LUCA).

Mike Brennan, Director, Development Services, said staff is seeking Council direction regarding the recommendations proposed in Option B: 1) base FAR (floor-area ratio) of 2.5 for non-residential development and 3.5 for residential development, 2) maximum FAR of 5.0, 3) amenity incentive options, and 4) development agreement potential for certain departures. Additional topics to be addressed in future discussions include floor plate size, nonconforming issues, and exceptions related to the Bellevue Club. The Council held a public hearing in July and anticipates adoption of the LUCA in December.

Mr. Brennan highlighted the City's needs related to the East Main LUCA: 1) encourage near-term redevelopment, 2) leverage new development to realize the vision for the East Main station area, 3) increase the supply of affordable housing, and 4) provide incentives for amenities that contribute to the public good.

Trisna Tanus, Consulting Attorney, Development Services, recalled that building heights and housing were discussed on September 13. The schedule anticipates a decision point on

November 15 to finalize the draft LUCA before adoption in December. She noted that requests for modifications or for the analysis of new options will add time to the LUCA process.

Ms. Tanus presented a table of two packaged options (A and B) and the stakeholder's suggested option, noting that Option A is the current draft LUCA and Option B reflects staff's recommendation. Option B provides the opportunity for a development agreement to address maximum building heights, maximum FAR, nonconforming requirements, and a special amenity. The stakeholder request suggests the following topics for consideration through a development agreement (e.g., catalyst project, special amenity, open space, and others to be identified).

Ms. Tanus said the City has successfully used incentive zoning since 1981. The City's program is voluntary and is informed by an economic analysis. The incentives used add economic value to property and a portion of the value is used to provide public amenities. The economic analysis is used to inform and calibrate the base FAR relative to the maximum FAR, and the base FAR reflected in staff's recommendation is based on that analysis. She said the development benefits the community by providing jobs, services, and revenue for the City. The incentive program can be used to encourage affordable housing, open space, child care services, and other amenities.

The East Main area is currently designated as Office and Limited Business (OLB), which is separate from the Downtown OLB district. The maximum FAR is 0.5 for office development and 1.0 for residential and retail uses. There are currently no amenity incentive options or the option for establishing a development agreement.

Nick Whipple, Planning Manager, Development Services, said that Option A was developed in December 2020 to provide the current draft LUCA. The option increases the base FAR to 2.5 for non-residential development and 3.5 for residential development. The maximum FAR is 5.0 and is consistent with the environmental and economic analyses. There is no development agreement option. Mr. Whipple said that Options A and B and the stakeholder's request includes the use of incentive zoning as a model for achieving public benefits within the East Main transit-oriented development (TOD) area. Developers are offered additional FAR in exchange for affordable housing as the top priority and other amenities (e.g., potential street, open space, and child care services).

Mr. Whipple said the public benefits identified in the Land Use Code are tiered to focus on Council priorities expressed through the Comprehensive Plan and in past discussions. The first tier is equal to 75 percent of the project's amenities and the second tier is the remaining 25 percent. In Option B, as in Option A, the base FAR is 2.5 for non-residential development and 3.5 for residential development, and the maximum FAR is 5.0. The top priority incentive for residential development is affordable housing. Additional top tier amenity options include a potential street through the development, open space, and child care services. The second tier options are stream and wetland preservation, public art, streetscape enhancements, and sustainability certification. Staff recommends adding the pedestrian bridge, performing arts, and special amenity options, which are also included in the Downtown code.

Mr. Whipple recalled that following the public hearing in July, the Council expressed an interest in considering a development agreement option to address maximum building heights, FAR, nonconforming exceptions and a special amenity. He said that adding amenity options will require additional analysis to price the proposed special amenity.

Mr. Whipple said that Wig Properties proposes a base FAR of 3.5 for both non-residential and residential development, with a maximum FAR of 5.3. In addition to the special amenity option, the stakeholder proposes adding items that could be considered through a development agreement (e.g., catalyst project, open space and others yet to be identified). Mr. Whipple said the BelRed code identifies catalyst projects as potential items to address through a development agreement. He said the base FAR and maximum FAR recommended by staff were derived through a careful analysis by the City's consultant. He said that reducing the base FAR will reduce the amount of value that the City is able to capture for public benefits, and it may limit the use of the incentive program.

Mr. Whipple said staff does not support the stakeholder's request to increase the maximum FAR to 5.3. Staff also does not support providing the option to negotiate different provisions through a development agreement. He said that narrowing the list of items that can be customized allows for better administration of the development agreement tool. He said it also provides better predictability for future development, the public and the City during the review process.

Mr. Whipple said the stakeholder concurs with identifying affordable housing, a potential street, open space and child care services as top tier amenities. They suggest adding streetscape enhancements to the top tier as well, and they concur with the additional amenity options identified in the Option B package. Mr. Whipple said the enhanced streetscape provides a wider sidewalk with more landscaping and moveable tables and chairs to activate the building frontage. He said a number of developers are choosing to include this type of incentive in their projects, and he said that including the enhanced streetscape in the top tier could jeopardize the development of other prioritized public amenities.

Mayor Robinson thanked staff for the presentation and suggested going back to the slide that summarizes Option A, Option B and the stakeholder's request. She said the LUCA will apply to all properties in the East Main area, while a development agreement would apply to a specific site or development.

Deputy Mayor Nieuwenhuis expressed support for the additional amenity options. He suggested moving the pedestrian bridge to Tier 1, noting that he sees the pedestrian bridge as critical for connecting people to the light rail station. Mr. Brennan said the top tier amenities respond to the Council's priorities to create affordable housing, open space/gathering spaces, and child care services.

In further response to Mr. Nieuwenhuis, Mr. Brennan said critical areas are not included in calculating the maximum FAR. Mr. Brennan said the maximum FAR of 5.0 recommended by staff was studied during the State Environmental Policy Act (SEPA) review and increasing the FAR would require additional analysis.

Councilmember Zahn thanked staff for continuing to work with the Council and developer to create the LUCA. She said predictability is important for both developers and the public. She expressed support for tailoring a development agreement to address building heights, nonconforming exceptions and the special amenity option. She sees the pedestrian bridge as consistent with the City's Vision Zero program.

Responding to Ms. Zahn, Mr. Whipple said that some Downtown properties have achieved sustainability certification. He said that amenity could be moved to Tier 1. However, he expressed concern that doing so might jeopardize achieving the top priorities identified by the Council, including affordable housing. Councilmember Zahn requested more information about the developers who are choosing sustainability certification.

Councilmember Robertson noted the primary objective of achieving TOD and housing to meet Bellevue's growth goals. Responding to Ms. Robertson, Mr. Whipple confirmed that the critical areas ordinance does not apply in the Downtown. However, there are critical areas in the BelRed subarea and the ordinance does apply. In the East Main area, the ordinance would apply to the Hilton Hotel property with Sturtevant Creek behind the hotel. Mr. Whipple said the extent of critical areas in the East Main area has not been quantified and perhaps the stakeholder's request for a maximum FAR of 5.3 is intended to offset potential critical areas limitations. Ms. Robertson noted that she has seen fish in the creek.

Councilmember Stokes thanked everyone for their work on the LUCA and expressed support for Option B. Responding to Mr. Stokes, Mr. Brennan said the Land Use Code dictates how Tier 1 and Tier 2 amenity options are applied. The first 75 percent of the FAR lift under the incentive system must include options in Tier 1 and the remaining 25 percent can include Tier 2 items. He said the tiers are structured to focus on the public benefits that the Council has identified as priorities.

Councilmember Lee said he is eager to see redevelopment of the East Main area move forward to achieve the public benefits. However, the projects must be economically feasible for developers and property owners. He said he does not see much difference between Option B and the stakeholder's request, and he is interested in learning more about the implications of the maximum FAR of 5.0 versus 5.3.

Responding to Mr. Lee, Mr. Brennan said Option B identifies items that staff recommends could be considered through a development agreement, in exchange for additional public benefit. Mr. Brennan said that increasing the maximum FAR would require additional environmental review.

Responding to Mr. Lee regarding the base FAR of 2.5 for non-residential development in Option B and the stakeholder's request for a base FAR of 3.5, Mr. Brennan said the City would want to ensure that the FAR would incentivize near-term development. He said staff could come back with more information regarding the economic analysis if desired by the Council.

Councilmember Barksdale asked whether it would make sense to add a third tier of amenity options, with the three tiers categorized as critical, needed and consistent with the East Main

vision, and additional enhancements to the development. Mr. Barksdale suggested adding tenant space for small businesses as an incentive option.

Mr. Whipple said there is a finite amount of floor area that can be earned through the incentive program and therefore it is important to focus the list on the top priorities. However, he said staff could conduct an analysis if the Council is interested in considering a third tier. Responding to Mr. Barksdale's question about small business tenant space, Mr. Whipple said additional analysis would be required to study new amenity options and to assign value to them.

Mayor Robinson expressed support for Option B, including the ability to establish a development agreement. She asked why the potential street amenity is included in Tier 1. She wondered if the incentive could be worded as something that enhances the streetscape with pedestrian and bike paths.

Mr. Whipple recalled previous policy direction to create small, walkable blocks with bike, pedestrian and vehicle access. He said the potential street concept was discussed with the Council in July 2020, and the Council asked staff to expand on the concept to include pedestrian and bike connections. He said the enhanced streetscape amenity is used in the Downtown code and it addresses the space between the back of the curb and the building. The result is a wider sidewalk with enhanced landscaping and/or dining space. Mr. Whipple said staff determined that the potential street amenity option provided the opportunity for pedestrian and bike circulation within the TOD area.

Mayor Robinson expressed an interest in either the potential street option or the enhanced streetscape option with pedestrian and bike facilities. She said she would like staff to explore the potential for non-residential affordable housing incentives.

Deputy Mayor Nieuwenhuis said he also would be interested in hearing more about non-residential affordable housing incentives. Responding to Mr. Nieuwenhuis, Mr. Whipple said the base FAR for non-residential development in the OLB-South district is 4.5 and the maximum FAR is 5.0. In further response, Mr. Whipple said the proposed East Main tier system is modeled after the Downtown code, and the options in the Downtown encourage open space and public realm-related amenities. The amenity options for the East Main area are tailored to the goals for the TOD area.

Mr. Nieuwenhuis expressed support for the stakeholder's request for a base FAR of 3.5 for both non-residential and residential development, given the proximity to the OLB-South district.

Councilmember Zahn concurred with Councilmember Barksdale's suggestion regarding an incentive for small businesses. Responding to Ms. Zahn, Mr. Brennan confirmed that the multifamily tax exemption (MFTE) program applies in the East Main area. Ms. Zahn asked whether housing refers only to rental housing or also to home ownership options. Mr. Whipple said both rental and ownership housing could be provided, and he noted that the topic will be addressed in a future discussion. Ms. Zahn asked whether micro housing units have been considered.

Mayor Robinson observed a consistent thread in the conversation to reexamine the list of potential incentives. She asked staff to comment later on how that could be done without slowing down the LUCA process timeline.

Councilmember Zahn expressed support for Option B, including the potential for a development agreement to address certain items.

Councilmember Robertson expressed support for a base FAR of 3.5 and a maximum FAR of 5.0 for both non-residential and residential development. She said she is comfortable with the amenity list. However, she recommended moving the pedestrian bridge to Tier 1 to enhance safety and to activate circulation through the area. Councilmember Robertson said there are a number of public benefits that could be achieved through a development agreement, including more housing. She recalled that previous discussions about ownership housing envisioned a slightly higher affordability level, which she continues to support. She expressed concern that trying to add amenities at this point will delay the LUCA process.

Ms. Robertson said she supports the goal of helping to support small businesses. However, she believes that can be done through the City's economic development efforts and that an incentive could be problematic for the Land Use Code. She expressed an interest in the differences between the two economic development studies. She concurred with the Mayor's and Deputy Mayor's interest in adding an affordable housing incentive to the commercial zone.

Councilmember Stokes reiterated his support for Option B and the maximum FAR of 5.0. However, he expressed interest in the stakeholder's request for a base FAR of 3.5 for both non-residential and residential development. He expressed support for establishing a development agreement to address certain items and encouraged moving forward as quickly as possible. He suggested elevating the performing arts and special amenity options to Tier 1 and noted that performing arts and community space are essential for the East Main area redevelopment.

Councilmember Lee said he supports the stakeholder's request for a base FAR of 3.5 for non-residential and residential development and a maximum FAR of 5.3. He said he would like to see a number of public benefits. However, the developer will have to do what is economically feasible and realistic. He expressed support for establishing a development agreement. He suggested taking advantage of the non-residential development to provide more housing.

Responding to Mr. Lee, Mr. Brennan recalled Council direction on September 13 to use the development agreement to provide for additional building height to achieve more affordable housing. Mr. Brennan said the stakeholder requested maximum building heights of 400 feet or 420 feet with mechanical equipment on the roof.

Councilmember Barksdale asked whether the use of space is addressed in the LUCA. Mr. Whipple said that prior to the adoption of the Downtown Livability code, there were requirements that developers provide certain types of spaces (e.g., retail). However, it became apparent that the types of desired uses vary based on development cycles. He recalled a suite located at 112th Avenue NE and NE 8th Street that sat vacant for nearly 30 years due to the retail designation for the space.

Mr. King said that in the formation of the BelRed code, staff considered certain limitations on retail, especially on the 130th Avenue future shopping street. He said staff could come back with some of that information for Council discussion. Mr. Barksdale suggested that if small businesses are of interest and a priority in the economic development plan, this might be a good time to discuss policies to support that objective.

Councilmember Barksdale expressed tentative support for the base FAR of 3.5 for non-residential and residential development. However, he would like to understand the potential outcomes for 2.5 FAR versus 3.5 FAR. Mr. Brennan said staff could return with an analysis. He said that increasing the base FAR decreases the amount of public benefit investment in the development.

Mayor Robinson said she is not interested in gifting 1.0 FAR to increase the base FAR from 2.5 to 3.5. However, she supports providing incentives to achieve the maximum FAR. She said it would be helpful to discuss the pros and cons of different FAR levels and to reexamine the amenity system. Mayor Robinson suggested adding a Council meeting and/or engaging in additional meetings between staff and individual Councilmembers. Mr. Brennan said that creating an amenity not currently in the City's incentive program would require a technical analysis. Ms. Robinson suggested exploring the potential for providing some type of incentive to retain the existing two restaurants on the East Main site.

Deputy Mayor Nieuwenhuis noted the base FAR of 4.5 for the OLB-South district adjacent to the East Main area. He said that while staff recommends a base FAR of 2.5 for the East Main area, the 3.5 FAR requested by the property owner is a good midpoint. He reiterated his support for moving the pedestrian bridge to Tier 1 of the amenities list. He said he would like to finalize the LUCA in December.

Councilmember Zahn said that decisions for the East Main LUCA potentially set the stage for land use code decisions that could apply in the BelRed and Wilburton TOD areas. She said it is important to understand the potential for achieving public benefits using the base FAR of 2.5 versus 3.5.

Responding to Ms. Zahn, Mayor Robinson said her suggested incentive for affordable housing in non-residential development envisions the potential for setting aside land for an affordable housing developer to come in and develop housing units.

Councilmember Robertson noted majority Council support for the base FAR of 3.5 for non-residential and residential development. She said she also heard support for moving the pedestrian bridge to Tier 1 and for considering an affordable housing amenity in a commercial development. She said she thought she heard support for greater flexibility in the topics that could be addressed through a development agreement. Ms. Robertson said she is comfortable with the proposed amenity options and would like to move forward to finalize the LUCA.

Responding to Councilmember Stokes, Mr. Brennan said the base FAR gives the developer the right to build a certain level of density without any requirement to provide public amenities.

Additional FAR, up to the maximum FAR, is granted in exchange for the developer providing public benefits.

Councilmember Lee said he prefers the stakeholder's request for a base FAR of 3.5 for both non-residential and residential development and a maximum FAR of 5.3. Responding to Mr. Lee, Mr. Brennan said the 5.3 FAR allows for more square footage and density than 5.0 FAR. Mr. Brennan said that increasing the maximum FAR to 5.3 would require additional analysis and environmental review. Mr. Brennan suggested that the development agreement would be the preferred mechanism for going above the maximum FAR of 5.0.

Councilmember Lee said the developer has indicated their agreement to provide the amenities desired by the City. Mr. Lee said the key is working with a credible, trustworthy developer that is willing to provide public benefits. He said any project must be economically feasible for the developer.

Mayor Robinson reiterated her support for Option B with the base FAR of 2.5 for non-residential development, base FAR of 3.5 for residential development, and the maximum FAR of 5.0.

Deputy Mayor Nieuwenhuis reiterated his support for base FARs of 3.5/3.5, the maximum FAR of 5.0, and moving the pedestrian bridge to Tier 1 of the amenity options list.

Councilmember Zahn supports Option B as recommended by staff, with the potential for negotiating additional FAR through the development agreement. She said that if the base FAR for non-residential development is set at 3.5, it will be important to address affordable retail space for small businesses.

Councilmember Robertson reiterated her support for a base FAR of 3.5 for non-residential and residential development, maximum FAR of 5.0, moving the pedestrian bridge to Tier 1, and allowing greater flexibility through the development agreement process.

Councilmember Stokes said he supports Option B as recommended by staff. However, he is interested in more information comparing the 2.5 and 3.5 base FAR levels.

Councilmember Lee said he supports the use of a development agreement to address building heights and all of the amenities.

Responding to Mayor Robinson, Mr. Brennan said staff will work on identifying additional amenity options for the Council's consideration. Mr. Brennan confirmed that staff is available to meet individually with Councilmembers.

11. Land Use: None.
12. Other Ordinances, Resolution, and Motions: None.
13. Unfinished Business: None.

14. New Business: None.
15. Executive Session: None.
16. Adjournment

At 9:15 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw