

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

April 14, 2021
6:30 p.m.

Bellevue City Hall
Virtual Meeting

COMMISSIONERS PRESENT: Vice Chair Malakoutian, Commissioners Bhargava, Brown, Ferris,

COMMISSIONERS ABSENT: Chair Moolgavkar, Commissioners deVadoss, Morisseau

STAFF PRESENT: Thara Johnson, Department of Community Development; Kevin McDonald, Department of Transportation; Kristina Gallant, Department of Development Services; Trisna Tanus, Consulting Attorney

COUNCIL LIAISON: Councilmember Barksdale

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 Vice Chair Malakoutian who presided.

Vice Chair Malakoutian stated that the meeting was being held remotely via zoom in order to comply with the Governor's emergency order concerning the Open Public Meetings Act, which prohibits in-person meetings.

2. ROLL CALL
(6:31 p.m.)

Upon the call of the roll, Vice Chair Malakoutian, Commissioners Bhargava, Brown and Ferris were present.

3. APPROVAL OF AGENDA
(6:32 p.m.)

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

4. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS – None
(6:33 p.m.)

5. STAFF REPORTS
(6:33 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.

Ms. Johnson noted that Chair Moolgavkar had attended the April 4 City Council meeting and presented the Commission's 2021 Comprehensive Plan amendment threshold review recommendations on the DASH Glendale and the Lake Bellevue applications, which was that neither application should be advanced. The Council elected to advance the DASH Glendale proposal to the 2021 work program, but not the Lake Bellevue application.

Ms. Johnson said Chair Moolgavkar also presented to the Council on April 4 the Commission's recommendation relative to the residential parking Land Use Code amendment. After a full discussion, the Council chose to recommend approval. The proposal will be back before the Council for final action at a future meeting.

Ms. Johnson reported that the Council also reappointed Vice Chair Malakoutian to the Commission.

6. ORAL AND WRITTEN COMMUNICATIONS (6:38 p.m.)

Ms. Mallory Van Abbema with the Housing Development Consortium, a non-profit membership association focused on advancing local and regional policy solutions to meet the affordable housing crisis, expressed sincere gratitude to city staff for shepherding the C1 body of work during extraordinarily difficult times. She said the organization continues to have some concerns around the proposed LUCA's effectiveness and noted that the concerns had been outlined in a comment letter that was submitted by review. One key component of C1 is to provide a density bonus to eligible projects to avoid the arduous Comprehensive Plan amendment process, yet the uniform bonus of 50 percent beyond current limits will not serve the purpose. Multiple partner projects in the city would not have been possible under the bonus without a CPA. To improve affordable housing feasibility and to strengthen the outcomes of partnerships, and to fast track the desperately needed affordable homes that Bellevue residents need, the Commission was urged to recommend the study of bolder alternatives for Actions C1 and C2 that support a targeted CPA to be sponsored by the Council no later than 2022 for properties that are well served by frequent transit and in high-growth areas; to increase the zoning to at least a base of R-20 or R-30 where appropriate in targeted high-growth areas; to increase height limits while continuing to exempt FAR for permanently affordable housing; and to consider exploring shared parking programs while ensuring that a parking requirement waiver could be considered for properties close to light rail and bus rapid transit. The Commission was encouraged to consider adding flexibility to the number and type of housing units allowed to be in low-density zones, inclusive of townhomes and cottages.

Mr. Ryan Donohue, advocacy and policy director for Habitat for Humanity Seattle/King County, said the organization was celebrating its 35th year of serving the community through affordable home ownership and home repair services. The vision of the organization is to build a world where everyone has a decent place to live. With regard to the C1 strategy and the proposed LUCA, he applauded the effort of the Commission and the staff to address the affordable housing crisis, and issue that has been plaguing the entire region for a very long time. The work engaged in so far is wonderful. He encouraged the Commission to go big. Homes in Bellevue are continuing to be simply unaffordable; the median sale price for homes in Bellevue now

stands at \$1.2 million, and the average rent in the city is over \$2000 per month. Homes in Bellevue cost more than homes in Seattle. The reality is that Bellevue has become a major urban city and as a result the city needs to plan accordingly. The proposed density bonus is a step in the right direction but it is only a small step. Simply providing a double density bonus is not enough. Rather than doubling the density bonus, consideration should be given to tripling or quadrupling it. Options for increased building sizes and types should be explored. It will take bold actions to address the housing needs of Bellevue. Habitat for Humanity Seattle/King County stands ready to help make it a reality.

Ms. Johnson noted that staff had received a few written communications and included them in the packet. A couple of the communications were in regard to the C1 LUCA. There were also comments related to the residential parking standards and accessory dwelling units, and to the transportation Comprehensive Plan amendments.

7. PUBLIC HEARING – None
(6:48 p.m.)

8. STUDY SESSION
(6:49 p.m.)

A. 2021 Annual Comprehensive Plan Amendments: Introduction to Amendments to the Transportation Element of the Comprehensive Plan

Principal Transportation Planner Kevin McDonald informed the Commission that the Transportation Commission is working on transportation policy related to multimodal level of service and concurrency. Their policy development work should be completed in June in time to return to the Planning Commission in July with recommendations for the Transportation Element. On April 5, the City Council initiated two Comprehensive Plan amendments related to transportation. The first relates to the Comprehensive Transportation Project List (CTPL), and the second relates to policies in the Transportation Element that deal with multimodal concurrency. The CTPL did not exist until the 2015 Comprehensive Plan update. Previous to that update, transportation projects were housed in many different subarea plans and transportation facility plans scattered throughout the Comprehensive Plan. At the time there were 781 projects that were consolidated into the CTPL. It was found that many of the projects had already been built, and others had been superseded by more recent planning efforts rendering them obsolete. Other projects had had their project descriptions updated. The consolidated work pared the project list down to only 80 for the CTPL. Because the CTPL is part of the Comprehensive Plan, a Comprehensive Plan amendment is required to add or delete projects or to change project descriptions.

Mr. McDonald said the staff proposal is to repeal the CTPL from the Comprehensive Plan and instead be fully embed it in the Transportation Improvement Program (TIP). The TIP is required by law and is vetted by the Transportation Commission annually and subjected to a public hearing before being submitted to the Council for approval. The Transportation Commission just finished the work of updating the TIP for 2021 and will be before the Council for approval in May. Folding the CTPL into TIP will make it easier to add projects or change their descriptions while retaining the vetting processes by the Transportation Commission and the public.

With respect to transportation concurrency, Mr. McDonald explained that the Growth

Management Act (GMA) requires jurisdictions to ensure that the transportation infrastructure as it is developed over time supports the adopted land use vision, which also is developed over time. The GMA requires enough transportation infrastructure to support land use, but it does not prescribe how jurisdictions are to make the measurement. For the last 30 years, Bellevue has employed a vehicle-only approach with metrics related to the volume and capacity of intersections around the city. The approach has worked reasonably well in responding to growth. It has been found, however, that intersection projects tend to butt up against other city goals, such as urban design and walkability, and reducing vehicle miles traveled and greenhouse gas emissions. The Council has determined that continuing to expand intersections to provide more capacity for vehicles is no longer the only approach, and the Transportation Commission was directed to come up with a different approach that considers all modes. Amendments to the Transportation Element of the Comprehensive Plan will be required to embed a new multimodal approach in the Comprehensive Plan.

In January the Council directed the Transportation Commission to begin work on multimodal concurrency. A scope of work and a consultant contract was approved to broaden the existing vehicle-focused approach to transportation concurrency and to embed a multimodal approach. With regard to policies in the Transportation Element, the options before the Transportation Commission are to recommend amending existing policies, repealing certain policies, or adding new policies. In addition to policies, there are maps and narrative in the Comprehensive Plan that describes the intent and sets the context for the policies, and those will need to be amended as well. Once the Transportation Commission has a final set of policy recommendations, they will be shared with the Planning Commission.

Commissioner Bhargava said he was trying to distinguish the impact of moving from one approach for project implementation to another. He asked what the biggest benefit will be. Mr. McDonald said for the CTPL the focus is on keeping the project inventory as current as possible. Given that the TIP is updated by law every year, it will be the best mechanism for keeping the project inventory up to date. The benefit of multimodal concurrency is a full range of different mobility options from which to choose in looking at providing a transportation system to support land use. Currently the only choice is to ensure a sufficient level of capacity at intersections. The multimodal approach includes options for improving pedestrian facilities, bicycle facilities, transit access, and transit speed and reliability improvements along arterials. Additionally, the options can be catered to specific land use types and environmental sensitivities while accommodating the expected growth.

Commissioner Brown sought clarification as to whether the city's current approach considers anything other than cars moving through intersections. Mr. McDonald allowed that the city invests a lot in other modes of transportation, and it relies on its regional transit partners and the regional interstate highway system to provide mobility for Bellevue residents. In terms of regulatory concurrency, and in terms of the transportation capacity to support new growth, the only tool the city currently has is intersection capacity for vehicles. The approach has served the city well for 30 years and has resulted in a robust arterial system to support vehicle travel as well as buses and freight movement. Though the city provides corridors for pedestrians and bicycles, it receives no concurrency credit for modes other than vehicles and the proposal is to expand the toolkit and get concurrency credit for the investments being made relative to pedestrian, bicycle and transit facilities.

Commissioner Brown noted her support for the work the city has done to make all modes work, especially in light of the fact that it only gets credit for vehicle capacity. With the current work on the Grand Connection and the emphasis on making Bellevue a walkable city and a bicycle

friendly city, it will be essential to look at all of the impacts. Mr. McDonald said most of the credit belongs to the City Council for providing the direction to engage in a new approach. The Transportation Commission has been working on the issue since 2013 that has been foundational to the policy work that is now on the table.

Commissioner Ferris asked if the multimodal approach includes things like scooters and electric bikes. Mr. McDonald said those are in a different bucket, not the infrastructure bucket. Multimodal concurrency is focused on infrastructure, specifically the facilities on which people with scooters and electric bikes can ride and on which people on foot can walk. It is the connectedness, completeness and level of service of that infrastructure that multimodal concurrency addresses.

Commissioner Bhargava asked if the proposed framework will bring with it any increased benefit in terms of a lower environmental impact. Mr. McDonald said it absolutely will. The approach being taken by the Transportation Commission is based on a supply and demand metric where the city builds the infrastructure, which is the supply side, and private development consumes that supply with demand. Currently, demand is expressed in terms of vehicle trips, but the intent is to express the demand in terms of mode-neutral person trips. To the extent that a development consumes less of the overall transportation system through transportation demand management techniques, it will have less of an impact on the supply side of the equation. The Transportation Commission is currently focused on performance metrics that will get at the questions of how to know if the right projects are being built and how to know if those projects will provide the level of service the community is expecting. Ultimately there will be performance metrics and thresholds for performance, making it possible to know if expectations are being met. Where there is a deficiency in one part of the city or in one type of infrastructure, the monitoring of the metrics will highlight the deficiencies and assess their magnitude, which will point in the direction of describing and funding projects that can eliminate the deficiency.

- B. Land Use Code Amendment (LUCA) to Establish a Density Bonus and Additional Modifications to Other Standards and Requirements in the Land Use Code (LUC) for Affordable Housing Developments on Certain Public, Non-profit or Religious Organization-owned Properties

(7:13 p.m.)

Consulting attorney Trisna Tanus explained that there are three objectives for the proposed LUCA: conforming with new provisions of state law in RCW 35A.63.300; supporting recommendations from the 2107 Affordable Housing Strategy; and implementing the Comprehensive Plan Housing Element policies HO-33, HO-34 and HO-35.

Ms. Tanus said the state legislature amended RCW 35A.63.300 in 2019 to provide that cities like Bellevue must allow for a density bonus for affordable housing development. The bonus must be available to any single family or multifamily property when the property is owned or controlled by a religious organization. The resulting housing units must be affordable to those at or below 80 percent of area median income, and they must be in place for at least 50 years.

The city's Affordable Housing Strategy was adopted in 2017. It memorialized the city's commitment to creating affordable housing opportunities. The proposed LUCA responds to Action C1 of the Affordable Housing Strategy to increase the development potential on properties owned by public agencies, faith-based and non-profit housing entities. In 2020 a set of policies related to C1 were adopted into the Housing Element. Policy HO-33 calls for the

implementation of Action C1 by providing bonuses and incentives for qualifying properties. Policy HO-34 calls for the same bonuses and incentives for qualifying properties outside of the city's growth corridors. Policy HO-35 calls for the creation of a demonstration program for affordable housing projects in multifamily zones.

Senior planner Kristina Gallant said the proposed LUCA would replace the existing Section 20.20.128 which includes a preexisting density bonus that provides a 15 percent bonus for market-rate multifamily development in exchange for affordable housing units. That bonus will be retained and an additional bonus will be added for developments meeting certain criteria where all housing units are affordable at or below 80 percent of area median income. Eligible owners will vary by land use district. Within the single family land use districts, eligibility will be limited to land owned by religious organizations, while for multifamily districts eligibility will be expanded to include religious organizations, non-profits and public agencies, with the limitation that Bellevue's parks department, community development department and any public utilities are not eligible. The proposed new bonus would not be available in districts that have established affordable housing bonuses, namely Downtown, Eastgate and BelRed.

Staff conducted an analysis to identify the number of eligible parcels and their distribution. In all, 111 qualifying parcels were identified. Ms. Gallant clarified that the only parcels included were those larger than a quarter of an acre that have not recently been developed. Properties with existing residential built out beyond the existing density were excluded. Not all of the properties are likely to take advantage of the bonus. The bulk of the qualifying properties are in single family districts, particularly the R-5 zones, though the second highest number of parcels is in the R-20 district.

Ms. Gallant said the new density bonus is 50 percent above the maximum underlying density. Some additional dimensional standard modifications to building height and lot coverage will be presented in the second study session. With the density bonus, any underlying development standards would remain, including environmental reviews and where design review is required. However, because the intent is to make the new density bonus as seamless as possible for new development, additional review beyond the underlying requirements will not be introduced.

After the initial qualifying parcels were identified, staff estimated the number of additional units that could be possible through the proposed 50 percent bonus. Altogether, the 111 qualifying parcels could yield a theoretical maximum of 1427 additional units above what is permitted via the underlying zoning. While there are a higher number of qualifying parcels in the single family districts, the greatest potential for additional units in terms of net increase lies in the multifamily districts. Some ten parcels located in single family districts were identified as having the potential for supporting greater densities beyond the underlying zoning by virtue of being located arterials, adjacent to existing higher densities, and have access to frequent transit service consistent with the criteria proposed for the residential parking LUCA.

Ms. Gallant said the next study session will include an analysis currently being done by the transportation department that is focused on estimating the trip generation associated with the additional units for each of the city's Mobility Management Areas.

Ms. Gallant said the proposed LUCA includes some affordable housing cleanup elements that are related to but not directly connected to the density bonus. In many instances references are made to affordable housing at the 80 percent of area median income level, and to recording requirements. The phrasing, however, is different in different places. As part of the proposed LUCA, the definition of affordable housing will be updated to mean affordability at or below 80

percent of area median income, and that it must remain affordable for the life of the property. That will allow for cleaning up some duplicative references elsewhere in the code while retaining the provisions specific to certain land use districts or incentive programs.

With regard to the public engagement efforts, Ms. Gallant noted that for the LUCA specifically there are three modes of outreach, starting with the Process IV requirements for noticing and a future public hearing. The staff have also participated in direct engagement and feedback with representatives of the faith community, non-profit housing providers, and members of the public. The LUCA has an online presence both through a project webpage and the city's engagement tool Engaging Bellevue. The direct engagement efforts for the land use specifically included three presentations on the proposal. During the public sessions a tool called the Menti meter was used allowing participants to text responses in real time. There were 38 individuals engaged in that process and the specific key themes they identified were providing for adequate off-street parking, ensuring compatibility with neighborhoods, and preserving trees. Thirteen percent expressed support for offering a larger density bonus and expanding housing options, and 61 percent expressed support for affordable housing generally. Between January 1 and April 11, the city's Affordable Housing Strategy project page engaged 13 people who left a comment or asked a question; 39 people were informed by browsing the pages and downloading information. In all, 201 persons visited the site without clicking links or spending a lot of time on the site.

Ms. Tanus explained that the second study session on May 12 would focus on Topics 4-5. A public hearing on the LUCA has been tentatively scheduled for June 9 and it is hoped the Commission will approve a recommendation at that meeting to be transmitted to the Council for future action. A courtesy public hearing will be held by the East Bellevue Community Council and that body will either approve or disapprove of the LUCA.

Commissioner Ferris commented that getting the financing to build affordable housing is incredibly difficult. The only way to get it is to have a minimum density of about 60 units per project. Using that threshold, none of the sites listed will see affordable housing built on them. She voiced her full support of figuring out how to get affordable housing built, but the devil is in the details, and the details indicate C1 will not get the city where it needs to go. She noted that the existing density bump for market-rate projects that include affordable units is slated to be retained, and she asked how many units that density has actually produced over the last five years. Ms. Gallant said she would bring that information to the Commission at a future study session.

Commissioner Brown said she also favors taking bold action in terms of creating incentives to get affordable housing built. She allowed that the proposed LUCA is promising, but at best it will deliver some 1400 units, which will not make a huge difference. She asked what additional items could be considered that might actually generate more affordable housing units. Ms. Tanus said the move toward providing a density bonus is being balanced against the need to maintain compatibility with the single family and multifamily neighborhood characteristics. She said it is one step of many that will need to be taken. Policy HO-35 calls for a demonstration project that is seen as an opportunity to do something bold. There is room for doing much more with affordable housing.

Commissioner Brown asked if the state legislature's allowance of certain density bonuses for religious organizations relies solely on the faith community to build out affordable housing, or if their actions provide other opportunities for incentives for non religious-based organizations. Ms. Tanus said the action taken by the legislature applied specifically to properties owned or controlled by religious organizations. The requirement for cities to provide that density bonus

works hand-in-hand with Action C1 to provide density and other incentives for more than just faith community properties.

Commissioner Bhargava how the quarter-acre size threshold was established in identifying qualifying parcels. Ms. Gallant said the size assumption in the staff analysis does not impact eligibility. It was chosen simply for staff's internal analysis and was based on the parcels deemed to be most likely to take advantage of the density bonus.

Commissioner Bhargava said in thinking about density and the way urban form should develop in the city, it is not done based just on parcel size. It is based primarily on the underlying zoning, but over time the location of parcels adjacent to arterials and transit services becomes very important in thinking about where density and growth should be promoted. He asked how the city is thinking about the application of a homogenous density bonus, versus a more graduated density bonus that considers the geographic location of sites and their relationship to arterials and transit. Ms. Gallant stressed the need to differentiate the role a density bonus functions as compared to a zoning change. The direction behind providing for the density bonus to accommodate additional units continues to rely on the underlying zoning. Where a switch is contemplated from a single family district to a multifamily district, conflicts with the Comprehensive Plan would need to be addressed. The density bonus is not a map change and the 50 percent bonus level was arrived at as something that could comfortably be applied just about anywhere.

Commissioner Bhargava said he understood the simplicity of a single stroke from a policy standpoint but said he was not sure it will address the site-specific nature of what the policy can enable for the right urban form and transportation infrastructure linked to it. The simplicity of the policy might be a limiting factor. While easy to execute, it may not enable the desired flexibility to deliver the desired outcomes.

Commissioner Ferris said she did not understand why Downtown, BelRed and Eastgate should be excluded from the density bonus. She allowed that those areas already offer a density bonus, but suggested because those areas are already dense they could handle an additional bump up. She added that there are properties around the city that are close to transit. She said St. Andrews Lutheran Church on 148th Avenue, where she attends, is adjacent to a park and across the street from Bellevue College. The site is zoned R-5. Applying with a broad brush the 50 percent upzone will not yield much if anything even though the site is perfect for affordable housing.

With regard to the idea of doing a demonstration project, Commissioner Ferris pointed out that there are at least two examples extant: St. Luke's where 30 Bellevue was built, and St. Margaret's where Andrew's Arms was built. Both involved upzones to R-30 to accommodate building affordable housing without losing the church property. Those are examples of demonstration projects that could easily be used as a baseline. Little more will be learned by doing one more demonstration project other than pushing everything off for another five years.

Commissioner Brown said she shared Commissioner Ferris's passion and desire for getting affordable housing constructed. There has been talk about affordable housing for a very long time and yet another demonstration project is not the answer. People graduate from high school and college, and they often even find employment in Bellevue, but they cannot afford to live in Bellevue. If the work of building affordable housing units does not begin right away, the vitality, energy and opportunities of a diverse community will be lost. She asked what 80 percent of area median income amounts to in real dollars. Ms. Gallant said that, from her memory it is in the \$60,000 range for a single person, and staff can provide the exact limit at the

next meeting. Commissioner Brown said she would appreciate having an additional discussion aimed at putting faces and occupations to incomes at that level. Every effort should be put into investigating opportunities for creating affordable housing as soon as possible.

Commissioner Ferris noted that she had earlier recommended having staff reach out to various professionals in the community to gain input on what will actually produce housing. She encouraged the staff to continue to do that.

Vice Chair Malakoutian suggested that while the impacts on the transportation system from increasing density, other impacts should be investigated as well. He added that he would like to see some analysis of what the outcome might be if the density bonus were bumped up to 60 percent or higher and different density bonus scenarios were evaluated. Ms. Gallant said staff would be willing to provide some more context.

9. OTHER BUSINESS – None
(7:55 p.m.)

10. APPROVAL OF MINUTES
(7:55 p.m.)

A. March 10, 2021

Ms. Johnson noted that after the packet was produced and published, Commissioner Morisseau contacted staff in regard to her clarifications to the minutes. She said her desire with regard to the last sentence of the first paragraph on page 10 was to have it read “The proposed amendment in fact does meet some of the decision criteria compared to the Lake Bellevue amendment based on existing zoning within the vicinity of the DASH Glendale site.”

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

B. March 24, 2021

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

11. CONTINUED ORAL COMMUNICATIONS – None
(8:00 p.m.)

12. EXECUTIVE SESSION – None
(8:00 p.m.)

13. ADJOURNMENT
(8:00 p.m.)

A motion to adjourn was made by Commissioner Ferris. The motion was seconded by Commissioner Brown and the motion carried unanimously.

Vice Chair Malakoutian adjourned the meeting at 8:00 p.m.



Thara Johnson
Staff to the Planning Commission

5/4/2021

Date



Mohammad Malakoutian
Vice Chair of the Planning Commission

05/04/2021

Date