

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

June 1, 2016
6:30 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chair Hilhorst, Commissioners Carlson, Barksdale, deVadoss, Laing, Morisseau, Walter

COMMISSIONERS ABSENT: None

STAFF PRESENT: Terry Cullen, Nicholas Matz, Department of Planning and Community Development

COUNCIL LIAISON: Not Present

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:07 p.m. by Chair Hilhorst who presided.

2. ROLL CALL

(6:07 p.m.)

Upon the call of the roll, all Commissioners were present with the exception of Commissioner Carlson, who arrived at 6:09 p.m., and Commissioner Laing, who arrived at 6:21 p.m.

3. APPROVAL OF AGENDA

(6:07 p.m.)

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

4. PUBLIC COMMENT

(6:08 p.m.)

Ms. Marci Faith Hennis, a resident of Lake Heights, thanked the Commission for helping to keep the vision of neighborhood pride for Bellevue neighborhoods.

Ms. Cathy Louviere, a Bellevue Towers resident, reminded the Commissioners she had previously noted that the perimeter residents were promised that no building taller than five stories would be constructed across from them. Downtown Bellevue residents do not enjoy the same protection. Bellevue Towers residents are having to deal with the fallout from the Lincoln Square expansion and the Center 425 development as a result. She said since she last addressed the Commission, the residents have been subjected to more construction noise and more traffic

disruption along 106th Avenue NE. Light pollution is still an issue for many, though the issue has been improved somewhat. She said she continues to be concerned about how building height is reported and suggested it needs to be standardized. From her home on the 21st floor of Bellevue Towers, the view has been blocked by a rooftop garden atop the 16-story Center 425 building.

5. PUBLIC HEARING

(6:14 p.m.)

A. 2016 Proposed Comprehensive Plan Amendments – Threshold Review

Chair Hilhorst briefly reviewed the two-step Comprehensive Plan amendment process, noting that all proposed amendments are evaluated based on the threshold review decision criteria. Amendments that are found to be consistent with the criteria are recommended to move to the final review step.

Senior Planner Nicholas Matz explained that the Comprehensive Plan amendment process is the tool used to consider amendments to the Comprehensive Plan. Under the Growth Management Act, the Comprehensive Plan can only be amended once per calendar year. At the threshold review stage, a determination is made as to whether or not the individual applications submitted should be considered. The proposals that are passed on to final review are subjected to a different set of decision criteria. The process is arduous but is designed to respect the legislative nature of the decisions the Commission will be making about amending the Comprehensive Plan. The City Council weighs in at both phases, first to establish the work program and second to act on the amendments by ordinance. All of the decision criteria must be met in order to advance amendments to final review.

Comprehensive Planning Manager Terry Cullen said the process takes about a year to complete. The amendments that move forward to the final review phase will undergo a full analysis. Actions taken by the Commission at the threshold review stage are not tantamount to approval of the amendments up for consideration; they only recommend moving amendments into the next phase or recommend that they not be advanced.

Mr. Matz briefly outlined the threshold review decision criteria as established in LUC 20.30I.140. He noted that three site-specific amendments had been submitted, and that there were two non site-specific applications related to park lands policies that would apply citywide.

i. Naficy

(6:22 p.m.)

Mr. Matz said the amendment seeks to change the designation from Office (O) to Bel-Red Residential-Commercial Node 3 (BR-RC-3) for the half-acre site at 15700 Bel-Red Road. The site currently is developed with a medical office building and surface parking. A concurrent rezone application has been filed as well. The applicant has stated that the redesignation and rezone of the site and the neighboring properties in the vicinity from O to BR-RC-3 would allow for a denser mixed use center and allow for additional housing to support the growth stated in the Comprehensive Plan and add to pedestrian activity in the neighborhood. The nearest BR-RC-3 to the subject property is to the southwest in the Iron Triangle area in the Bel-Red subarea; to the south is O, there is PO across the street to the east, and beyond that is single family.

Mr. Matz said part of the staff recommendation is to expand the geographic scope to include the entire triangle area between Bel-Red Road, 156th Avenue NE and NE 28th Street.

Chair Hilhorst asked which subarea the subject property is in. Mr. Matz said it is in the Crossroads subarea, but the applicant would like the line redrawn to put the site in the Bel-Red subarea. That is in fact the only way the site could get the BR-RC-3 designation.

Mr. Matz said the staff recommendation is that the Naficy proposal does not meet the threshold review criteria and that it should not be recommended for inclusion in the work program. The proposal would require changing the subarea boundary, an issue that would be more appropriately addressed by the Bel-Red look back, an ongoing work program approved by the Council. The look back work includes a review of policy implementation and will result in a report to the Council that will include recommendations for what should be done next. The first phase of the look back, intended to be completed by August, is essentially an assessment of where things stand. The look back is the appropriate place to consider changing the subarea boundary, which the Naficy amendment proposes.

Commissioner Morisseau asked about the three-year rule regarding Comprehensive Plan amendments and Mr. Matz explained that applications for Comprehensive Plan amendments that are submitted but are not successful cannot be resubmitted for three years.

Chair Hilhorst asked if the applicant would have to wait three years if it is not moved to the next phase, or if the issue could be rolled into the look back. Mr. Matz said one option open to the Commission is to recommend to the Council including the Naficy site in the Bel-Red look back. The Council could approve that approach, which would then trigger the three-year rule.

Chair Hilhorst asked if the applicant could achieve the same density level if the site remains in the Crossroads subarea. Mr. Matz said the Bel-Red zone sought by the applicant is specifically described by statute to apply only within the Bel-Red subarea. Bel-Red zoning cannot be applied outside of the Bel-Red subarea. There is no designation in the Crossroads subarea that allows for the same density.

Chair Hilhorst opened the floor to comments from the applicant.

Rich Wagner with Baylis Architects, 10801 Main Street, spoke representing the applicant and pointed out that the urban environment to the north of the subject site is dominated by Microsoft. He said the application has been cast as an expansion of the subarea, but that has not been the goal of Dr. Naficy. The 6000-square-foot building on the site is forty years old and it would be almost impossible to rehabilitate it economically. The site is 25,000 square feet and the current zoning allows a maximum FAR of 0.5, which would yield 12,500 square feet. An expansion of only 6500 square feet simply does not pencil out. Dr. Naficy has practiced on the site for many years and many of his clients say they have to drive two hours to get to the office because they cannot afford to live in Bellevue. Dr. Naficy's goal from the start has been to achieve some affordable housing. The Assessment of Housing Needs in Bellevue, updated in March 2016, indicates that Dr. Naficy is on the right path. The desired project would come in at an FAR of about 2.5, would be 60 feet in height, and would have 60 or 70 units, which is far less than what the proposed BR-RC-3 zoning allows, but which is more than what the Crossroads zoning allows for. Redeveloping the site will result in traffic and bulk impacts, but most of the traffic in the area flows to Microsoft. The idea of putting affordable housing in the area to provide living units for those who would provide services to those who work at Microsoft and elsewhere makes sense. The subject property is only about five blocks away from a future light rail station. The applicant was not anticipating a staff recommendation that the proposal does not meet the

threshold criteria and that the issue should be made part of the look back process. Since 2009 there has been a commitment to do a look back of the area, but it has not happened yet. The applicant did not recommend expanding the geographic scoping, that is the recommendation of the staff. The timing of the look back is such that the research will be available to the Commission by the time a decision would be made on the Naficy application in final review. The Commission was asked to advance the application so it can at least be discussed.

The applicant Dr. Kevin Naficy said he has been a practicing orthodontist at the subject site for 31 years. He said all he has come from the community, and he has been able to give back to the community. Beginning in May 2010, 80 percent of the practice has been dedicated at no charge to families below the poverty line. Patients travel to the site from as far away as Wenatchee and Bellingham. He said his desire is to redevelop the property so he can benefit from it in his retirement and to give back to the community. The plan is to include a commercial element by way of an office wing, and to include an affordable housing element. The limitations of the zoning has forced seeking the BR-RC-3 designation, which allows building height to 85 feet even though there is no intent to build that high. Those who would inhabit the affordable housing units would hopefully not have to drive to their jobs. Both to the north and the east there are much taller buildings than what is proposed by the site. He urged the Commission to forward the application to final review.

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

Mr. Russ Paravecchio, 2495 158th Place NE, concurred with the staff recommendation. He suggested, however, that it would be good for the Council to hear from the great number of area residents who would vote against the proposal. The added traffic would add to the danger of the area by reducing access times by emergency vehicles, and the density would encroach on the borders of what for many years has been delineated for housing. Changing the subarea border would open even more sites to denser development. People should be allowed to develop their properties so long as they play within the rules. While over time changing the rules may be necessary, it is not always necessary to do so. Those who live in the single family homes close to the site purchased their homes on the understanding that the area would remain for families over time. They have seen numerous attempts to allow for more and more encroachment by higher intense uses and they need to be protected.

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

ii. Eastgate Office Park

(6:54 p.m.)

Mr. Matz said the Eastgate Office Park amendment seeks to change the designation for the 14-acre site to the east of 156th Avenue SE at approximately SE 30th Place from Office (O) to Office Limited Business (OLB). The site is developed with 280,000 square feet of office in four buildings with surface parking. He said the recommendation of staff was to advance the proposal into the work program. The applicant asserts that the proposal will implement the city's Comprehensive Plan vision for the Eastgate subarea by encouraging continued economic vitality and development capacity. Staff also recommends expanding the geographic scoping to include the two properties to the east which are similarly situated in terms of their designation and the type and quantity of existing office buildings.

Mr. Matz said the applicant has made the case that they were missed by the Eastgate/I-90 land use and transportation project and would like to revisit the question of whether or not the site should have been included in the area. By advancing the amendment to final review, the door to digging deeper into the issue would be opened. It would also allow for looking at some of the economic issues that have been raised by the applicant.

Mr. Matz said staff have concluded that the decision criteria have been met. The area was part of the Eastgate study area, and the amendments from the Eastgate study have been adopted into the Comprehensive Plan. If for some reason the potential for the subject property and the geographically expanded area was overlooked, there is no other venue for reviewing the designation for the site other than the Comprehensive Plan amendment process. The proposal does address significantly changed conditions of the Eastgate process, namely the presence and the extent of the Eastgate changes that established the OLB and OLB 2 designations which allow for mixed use and transit-oriented development around the park and ride.

Commissioner Walter asked what the requested designation could yield on the site. Mr. Matz said the OLB designation allows for a slightly broader set of mixed uses, no limit on the residential component, and building height to 45 feet.

Chair Hilhorst said she wanted to be sure changing the designation to OLB would not set a precedent for siting the designation adjacent to a residential neighborhood. Mr. Matz said there is OLB to the west that borders the Tyee neighborhood and some that borders Bellevue College. The subject property borders residential on its northern edge as well. Mr. Cullen added that in the proposed dimensional charts for O and OLB, the FAR remains at 0.5. It is in OLB 2 that the FAR is increased to 1.0.

Mr. Matz said the Department of Natural Resources is the owner of one of the properties in the area in the proposed geographic expansion area. When contacted, their property manager expressed a willingness to be included for consideration. Additionally, a phone call was received from the manager of the Subaru dealership who also expressed an interest in the proposal without committing himself in any way.

Commissioner Walter asked what the buffer on the northern portion of the property be under the proposed designation. Mr. Matz said it would be subject to transition, which typically requires a larger buffer depth and more specific vegetation. Mr. Cullen said the rear yard setback would be 50 feet and the side yard setback would be 60 feet in addition to the transition buffer.

Chair Hilhorst opened the floor to comments from the applicant.

Ian Morrison with McCullough Hill Leary, 701 Fifth Avenue, Suite 6600, Seattle, spoke representing the applicant. He concurred with the staff recommendation to docket the application. In working through the Eastgate process in 2012, the Commission was focused on economic data that was created in 2010 and 2011. At that time it was reasonable to conclude the existing buildings on the site still had some useful economic life. Now that the Eastgate policies have been adopted along with a vision for transit-oriented development around the college and infill development involving more retail and pedestrian uses along 156th Avenue SE, the subject property should be reviewed in light of the adopted vision. Clearly the process is in its infancy and the applicant is intrigued by the vision of the OLB that involves pedestrian retail and the like. The Eastgate process included looking at opportunities to create additional pedestrian park connections, which trail connecting through to Robinswood Park represents. Having a pedestrian-oriented streetscape would improve mobility generally in the Eastgate neighborhood.

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

Ms. Michelle Wanamaker, 4045 149th Avenue SE, asked if the FAR would increase on the site under the proposed designation. Mr. Cullen said the proposal is to apply OLB to the site, and as currently envisioned, O and OLB would have an FAR of 0.5, and OLB 2 would have an FAR of 1.0.

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

Chair Hilhorst noted that one of the threshold decision criteria is that a proposed amendment does not raise policy or land use issues that are more appropriately addressed by an ongoing work program approved by the City Council. She asked why the proposed amendment is not rolled into the work currently under way in regard to the Eastgate corridor. Mr. Matz said the designation opportunities that exist for the site include OLB, and any subsequent rezone could involve any of the cluster of OLB zones that are currently being contemplated. The work under way by the Commission is focused on implementation of the zoning and land use regulations resulting from the work to update the Comprehensive Plan, which has been completed.

iii. Newport Hills

Mr. Matz said the application seeks to amend the map designation on the easternmost 4.6 acres of the 5.9-acre site at 5600 119th Avenue SE from Neighborhood Business (NB) to Multifamily High (MF-H). The remaining site area would retain its current NB designation along 119th Avenue SE. The site is currently developed with retail and business uses in one larger building and three small building. The applicant has stated that the change would enable redevelopment of the site into a mixed use residential and retail complex. The application suggests the opportunity is unique and would allow for a development consistent with the surrounding neighborhood. To the north and west of the site is NB and Professional Office (PO), and to the east and south are MF-H.

Mr. Matz said the staff recommendation was to advance the application to final review but to not expand the geographic scope. Although there is adjacent NB, those properties are not similarly situated in terms of the questions posed by the request of the applicant for the amendment. The application does address significantly changed conditions which include changing market patterns for neighborhood retail uses, challenging economic conditions faced by neighborhood centers citywide, and greatly increased competition from retail centers in Factoria and Newcastle.

Mr. Matz said there has been a great deal of public outreach regarding the proposal that has resulted in a great deal of thoughtful public comment. Those expressing disapproval have, in no particular order, highlighted the potential impacts of redevelopment to existing community retail and parking places that form a common bond for residents; adding traffic to a road system already constrained by Newport Hills' geography and access points; already crowded area schools; growth in the City of Newcastle; and displacement of current business owners/tenants of the existing center. The comments in support of the proposal included the need to redevelop the center because of the impact its current state is having on the community; and it is time to redevelop with an attractive and mixed use character that continues to serve the area. The majority of the comments received to date have been opposed to the proposed amendment.

Commissioner Barksdale asked if consideration has been given to any mitigation strategies that

might ease the concerns voiced by those opposed to the proposal. Mr. Matz said should the amendment be advanced to final review, the door will be opened to talking about the merits of the application and discussing the impacts.

Mr. Matz said staff believes the amendment addresses issues that have been identified in the Land Use Element and the Newport Hills subarea for aging commercial areas and neighborhood commercial centers.

Commissioner Carlson pointed out that when the neighborhood commercial centers issue came to the Commission a few years ago, the Newport Hills Shopping Center was hurting and trying hard to find tenants. He said it was his understanding that the center now has tenants and is doing much better than it was. Mr. Matz said the economic development conclusion reached by the Heartland study was that for the long term NB uses will not be viable to the extent they are allowed on the site. Since there the area has witnessed a marked economic recovery and spaces at the shopping center have been leased out. Commissioner Carlson suggested the criteria of changing market patterns and challenging economic conditions would have been appropriate to address the problems in play five years ago, but does not seem to be as relevant currently. Mr. Matz said if the amendment goes forward, it will allow for conducting more economic-based research on the state of the conditions. The fact is changing market patterns, challenging economic conditions and increased competition from Factoria and Newcastle is in fact accelerating and it is worthy taking a look at the extent to which those factors will affect redevelopment of the subject property. The fact that the site is fully leased currently is not enough to warrant ignoring what are significantly changed structural conditions.

Chair Hilhorst agreed that if it were 2009, the conversation would be much different. The fact is that many of the family oriented businesses weathered the economic storm. Bellevue is growing and more families and children are moving in and there is no reason to believe those businesses will not only stay but continue to thrive and grow. The economics of Newcastle is not part of the threshold review, but is part of the reality for Newport Hills. Mr. Matz made it clear that staff have reached no conclusions that what is going on currently in Newport Hills is not economically viable. The staff have looked at the Comprehensive Plan and have looked at the struggles neighborhood shopping centers have had citywide, including Northtowne, Lake Hills, Eastgate and Crossroads. The Heartland study serves as a starting point rather than a conclusion. The fact is that citywide neighborhood centers are experiencing changing market patterns, challenging economic conditions, and increased competition from areas outside of the city. The question before the Commission, which is supported by policies adopted in the Comprehensive Plan, is how to redevelop the centers to assure that they will continue to play the role they are currently playing.

Commissioner deVadoss pointed out that the Commission was recently updated with regard to low-impact development principles. One of the principles outlined was doing the analysis and homework up front to mitigate potential issues downstream. He asked if a full analysis could be done relative to the proposed amendment relative to the impacts on transportation and the schools before making a threshold determination. Mr. Matz said that could be done. Threshold review at its simplest is simply answering a question of whether or not a proposal should be considered, and the parameters under which the considerations are made are exactly those things identified, including traffic and school impacts. The threshold review stage is not, however, the time to drill down on the specifics; it is the stage at which a decision is made to drill down.

Mr. Cullen said the threshold hearing in most years is conducted in March and it involves a broad brush look as to whether or not proposed amendments should move forward. To spend the energy in doing a full analysis up front would negate the threshold review entirely. The way the

process is set up, the threshold review is the phase at which a determination is made as to whether or not a full analysis should be done during the final analysis phase.

David Macduff, vice president of development of Intercorp, the applicant for the Newport Hills Comprehensive Plan amendment. He said the project has history going back for many years and the proposed amendment will give the city and the community the opportunity to study and investigate the potential implications of redevelopment. Much has been said about the potential impacts to traffic and the schools, but the reality is there is no information in hand relative to those topics. Intercorp is excited about its idea and believes it to be well-grounded. The company is willing to spend the additional time and money to thoughtfully evaluate the merits. The Commission should recommend to the Council that the proposed amendment be moved forward. The site contains a 1960s vintage shopping center that formerly was anchored by a grocery store; it has both inline spaces and a couple of out parcels.

Mr. Macduff said conditions affecting the site are certainly changing. The evolution of Factoria and Newcastle has changed how people shop and has changed the type of retailers that can come into such shopping centers. The challenges being faced by the Newport Hills Shopping Center are being faced by other neighborhood centers citywide. The last grocery store to occupy the center left in 2009. Over a number of years, the property owner, the city and the neighborhood made a valiant effort to figure out how to revitalize the center, but those efforts have not worked. The center is only 64 percent leased; if the batting cage business were not there, the center would be only 41 percent leased.

The Heartland study included alternative uses that to date have not proven to be financially feasible for the market. The property owner is focused on a right-sized concept, with the right amount of retail and the right amount of residential, to balance the perspectives the community has voiced about what they want to see happen on the site. The outreach conducted to date has been focused on improving the concept. The owner's representatives have met with the current tenants to gain their thoughts; have met with individuals; have met with businesses; and have held five public outreach meetings attended by about 75 people. The concerns voiced to date have included traffic, schools, the continued provision of neighborhood services for the community, preserving the current set of tenants, and the loss of parking on the site from other businesses that do not have enough parking the community. Many voiced support for the proposed mix of uses, and for the fact that the housing would be ownership rather than rental.

Mr. Macduff said the vision is to simply right-size a redevelopment opportunity for the entire center driven by an understanding of the commercial demand. The research done indicates there should be between 15,000 and 20,000 square feet of commercial, and a townhome residential component at a lower density than what was highlighted in the Heartland study. The provision of neighborhood services will be critical to success, as will sidewalks and open space. The property owner is willing to commit to entering into a development agreement with the city as part of the process to guarantee development will occur as promised. The property owner is willing to commit to building new commercial space before allowing occupancy in the residential component. The property owner is also willing to commit continuing the dialog that has been opened with the community.

Jessie Clauson with McCullough Hill Leary spoke representing Intercorp. She stressed that at the threshold stage the property owner is not asking for a yes on the proposed amendment, rather concurrence that the proposal warrants study. Real estate and retail markets go up and down over time, and there have been discussions about the center for a very long time. The opportunity is finally at hand to usher in a full study, including potential impacts on traffic and schools, and an up-do-date retail study to determine the right-size retail component for Newport Hills. Once the

study data is in hand, it will be possible to make an informed decision regarding the proposed amendment.

Chair Hilhorst noted that she has been part of the process for a long time. In the discussion about right-sizing the commercial, it was clear that some of the current uses, including the batting cage, will not fit in the future. Many of the family recreation businesses have survived and thrived. Additionally, the Heartland study envisioned more than 100 residential units, but they were for assisted living, the residents of which would create far fewer trips on the roads. She asked if there were any potential for a compromise in which there would be less housing and more commercial. Mr. Macduff said the amount of commercial in the proposal is based on relatively newcomer knowledge of the studies that have been done and the conversations that have taken place to date. When it comes to determining the right size, studies are needed to determine what the market will accept. If the studies show the demand for commercial is higher, there is the ability to expand some of the buildings, though that could restrict the open space and gathering areas. The issue of housing type really goes to the types of buildings constructed. Intercorp has developed five-over-one multifamily apartment housing in downtown Seattle, but the economics of that kind of a structure would likely not work in Newport Hills. Intercorp is, however, open to looking at new ideas. The proposed ownership townhouse approach would have less of an impact than market-rate rental housing.

Mr. Macduff said as envisioned, the new commercial to be developed would be on the part of the site that would remain NB. He allowed that for purposes of the amendment, lines were drawn on the map without having a plan in hand. As the site plan gets refined, the percentages of commercial and residential could change.

Ms. Clauson said the density shown in the amendment documents actually works out to R-23. However, that would require self-limiting under R-30. Mr. Macduff added that townhomes are not permitted in the NB zone, which is why an amendment is needed for a portion of the property. Commercial is the driver.

Commissioner Morisseau asked why the larger percentage of the site is shown as having multifamily if in fact commercial is the driver for the site. Mr. Macduff said it is the amount of demand for new commercial that has determined the split between residential and commercial. Commissioner Morisseau asked if there is an acceptable middle ground that would have less commercial. Mr. Macduff said that would need to be determined after the studies are done. Intercorp is certainly open to new information but does not believe the site should remain predominantly commercial. The level of flexibility will be informed by the studies, but Intercorp does not believe the studies will show a dramatically different demand for retail on the site. Commercial is a driver because it is important, but that does not mean it will be the predominant use.

David Hsiao spoke representing the ownership group of the Newport Hills Shopping Center. He said the group has owned the shopping center for over 30 years. He voiced support for moving the amendment forward for further study. He said when purchased, the center was thriving and had no issues with vacancies. In more recent times, however, the center has experienced a steady economic decline. The center has been aggressively marketed but with very little success. The rental rates that can be achieved are simply too low to justify any capital investment in the existing layout. In its current form, the center no longer fills a need for both retailers and customers. The center faces stiff competition from areas in close proximity, including Factoria, Newcastle and Coal Creek; it suffers from outdated NB zoning; and it experiences very low traffic counts. The center is not, in fact, currently thriving. It has a 40 percent vacancy rate, something that has been as high as 60 percent. From the standpoint of tenants, the center has

experienced an increasingly high rate of defaults, and a steady and consistent increase in delinquent rent payments. A number of potential tenants have unfortunately not met the criteria of the NB zone. Redevelopment is the only viable option for revitalizing the center and making it into a community asset.

Commissioner Carlson asked if the Newport Hills Shopping Center can make it as a standalone shopping center. Mr. Hsiao said it cannot. The only way to succeed will be to have housing become a component. A serious attempt was made to sell the property using the services of CBRE. Over 500 perspective purchasers were contacted, and of all those who expressed an interest, not one voiced an interest in maintaining the center as a shopping center. Commissioner Carlson asked if there are limits on kind of commercial activities allowed that are preventing the center from being profitable. Mr. Hsiao said there are impediments involved with attracting certain types of businesses, but the bigger issue that anyone wanting to provide retail services to a community needs a certain amount of traffic, and the center is simply not providing that.

Commissioner Walter asked about the efforts to aggressively market the shopping center. Mr. Hsiao said over the course of ownership, the services of three real estate brokers have been retained to find tenants.

Chair Hilhorst said she was able to attest to the fact that there have been viable businesses that wanted to locate at the shopping center but were precluded from doing so because of the NB zone restrictions. Requests were made to allow for flexibility in the code to entice more tenants, but because such flexibility would need to be applicable citywide, the staff chose not to proceed.

Mr. Hsiao reiterated that to some degree, the current code restrictions are preventing the center from being viable. However, the bigger impediment to success is the low traffic count realities.

Chair Hilhorst said it was her understanding that the only vacancies currently are the old Hallmark site, the bank, and the space adjacent to the batting cage use. Mr. Hsiao stressed the need to respond in a delicate fashion owing to issues of confidentiality. He reiterated the fact that the current vacancy rate is 40 percent and that there has been an increase in rent delinquencies to the point where the center is losing money annually. The owners have in fact become creditors for the tenant in an attempt to help them out.

Commissioner Carlson asked what changed that resulted in less traffic for the site. Mr. Hsiao said change has come in the form of competing shopping centers but also in terms of the way people shop. Consumer habits have changed, not the least of which is the move toward online shopping.

Commissioner Walter asked if the owners have watched the Lake Hills Village shopping center and the difficulties they had until finding a large anchor tenant. Mr. Hsiao allowed that he has followed that center, though not in great detail. He said getting an anchor tenant in the NB 5000 zone is challenging because of the limitations on who can occupy a 20,000-square-foot space. It is not possible to just sign up any tenant who might have an interest.

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

Mr. Kim Herman, 4545 119th Avenue SE, voiced support for the staff recommendation to include the Newport Hills Comprehensive Plan amendment in the 2016 work program. It is necessary to have a community discussion about the potential redevelopment of the shopping center to determine what is best for the community. The current redevelopment proposal,

however, is concerning. Traffic congestion in Newport Hills is terrible and there are safety concerns regarding ambulances, school buses and residents. Peak time traffic congestion would only get worse by adding 110 new townhomes. On Coal Creek Parkway there was one intersection in 2014 that did not meet the city's traffic standards, and the intersection of Coal Creek Parkway and I-405 just barely met the standard. Traffic goes through the neighborhoods to avoid the congestion and will only get worse with Newcastle development. The community is concerned that the current neighborhood businesses in Newport Hills will be lost by lowering the amount of retail space from 38,000 square feet to \$17,000 square feet, some of which will be live/work space. The amount of retail occupancy is the best it has been in the last ten years or so and it would be a shame to lose some of the popular neighborhood businesses due to poor redevelopment planning. The neighborhood is concerned about the density of the proposed redevelopment, which includes 110 new townhomes. He provided the Commissioners with a schematic outlining some minor changes to the proposed redevelopment submitted by Intercorp that would address some of the community concerns, including an additional 500 square feet of retail space. He pointed out that little visitor parking is shown for the townhomes, and that the Chevron station needs additional parking in order to continue operating. The schematic included one acre of the site for independent senior housing. Bellevue is lacking in senior housing options. Including more commercial space along with senior housing would have several positive benefits. The proposed Comprehensive Plan amendment should be moved forward for a full study.

There were about 25 hands raised in support of the comments made regarding traffic and school impacts, and about six hands raised in support of moving the amendment forward to final review.

Ms. Marci Faith Hennes, 4715 119th Avenue SE, said when it comes to the Newport Hills Shopping Center everyone has the same goal. The issues have been studied by brilliant planners, sociologists and others. The goal is socially critical, the goal is simple, the goal is to create and nurture community. Within that construct, people need to feel they have space. Crowding humans in creates a distressed ecosystem in which people do not function optimally and in which they become disparate. Newport Hills is building a beautiful momentum in which all can profit. The area has an abundance of neighborhood pride and the neighborhood will continue to thrive if not boxed in. The community has worked together in getting people to drive slower on 119th Avenue SE, and it has worked to see sidewalks built through the neighborhood. She thanked the Commission for working with the community to keep the vision alive.

Ten hands were raised in support.

Ms. Carolina Silverberg, 11667 SE 58th Street, said she has been a resident of Newport Hills for 16 years and has seen a lot of change. She said replacing the shopping center with multifamily residential will have a negative impact on the neighborhood in terms of school crowding and increased traffic, and the loss of local businesses and gathering spaces. Newport Heights Elementary School has 675 students and a second portable classroom is coming. Additional housing will bring more children to the already overcrowded schools. Tyee Middle School with almost a thousand students, and Newport High School with 1744 students, are both overcrowded. With regard to traffic, the arterial 119th Avenue SE gets backed up during commute peak hours and school drop-off and pick-up hours, and residents along the roadway struggle with getting into and out of their driveways. The Newport Hills Shopping Center is a valuable part of the neighborhood. It is a great gathering space for the community and losing it to multifamily housing would substantially burden the neighborhood and schools while providing no benefit. She said 947 signatures against the proposed R-30 rezone have been obtained from Newport Hills residents and business owners, and more signatures will continue to be collected.

About 25 hands were raised in support.

Ms. Judy Brennan, 5611 118th Avenue SE, said she has been a resident of Newport Hills for three years. She said one of her biggest concerns is school overcrowding, which was a problem even before the issue of rezoning arose. The elementary school saw an increase of 54 students just within the current school year.

Ms. Marianne Lee, 11627 SE 58th Street, said she has been a Newport Hills resident since 2007 and has two children at Jing Mei Elementary School. She urged the Commission to reject adding the R-30 amendment to the work program. Rezoning the Newport Hills Shopping Center space to R-30 will dramatically increase traffic and school crowding while removing local retail stores. The majority of those moving into the Newport Hills area have children and they choose the neighborhood because of the schools and because the neighborhood offers the rare chance to live within walking distance of restaurants and kid-friendly retail shops. Newcastle grocery stores are already very crowded. The Newport Hills Shopping Center is not like Eastgate and it is not like Lake Hills. The arterial 119th Avenue SE is the main access point to Newport Hills. Newport Heights Elementary School is on 119th Avenue SE, while Ringdall Junior High and Jing Mei Elementary are accessed from 119th Avenue SE. Building multifamily housing units on 119th Avenue SE will increase the already dangerous driving and pedestrian conditions, and will contribute to overcrowded schools. The neighborhood will lose the walkability it currently has if the rezone happens. Removing or greatly reducing the retail area and replacing it with multifamily housing will destroy walkability, increase school crowding, and increase the likelihood of a pedestrian fatality in the neighborhood. The retail center property owner made it very difficult for Bill Pace when he tried to make a go of it there. The current landowner is the biggest impediment to being a fully leased retail space. Flexibility is needed to increase opportunities for recreational retailers.

About 25 hands were raised in support.

Ms. Nicole Seakules, 5212 125th Avenue SE, said her top two concerns are the schools and traffic. She agreed with the previous speakers about current traffic conditions that include backups on 119th Avenue SE and SE 56th Street. The backups are often such that no one can get to the schools. Teachers often have to be told not to mark students tardy when buses arrive late. She said she attended the Bellevue School District overcrowding meeting in 2015 and learned that people are moving into the neighborhood because of the schools and the local community. The district made it clear how tight things are relative to attendance, and noted that should the schools reach capacity, people moving into the neighborhood could be locked out from sending their students to the local schools. She urged the Commission to vote against the proposed amendment. She said she would love to see the commercial center revitalized with other businesses.

About 18 hands were raised in support.

Mr. Barry Heimbegner, 5804 119th Avenue SE, said he owns and operates the Chevron station in Newport Hills. He noted that the hill is getting very crowded with traffic, and the schools are overcrowded as well. He said he agreed with those in the neighborhood who would like to see the shopping center upgraded, but he said he was not sure the proposed approach would be the right one. The center should have been upgraded before with an improved parking lot and lighting. Many of the businesses appear to be doing fine.

Commissioner Carlson said it was clear from the testimony that more people are moving to Newport Hills causing more traffic and overcrowded schools and said it would seem there are a

lot of people who could be serving as a customer base for the shopping center. However, the shopping center owner claims the center cannot make it. He asked what needs to happen in order for the shopping center to be successful. Mr. Heimbegner said the building and parking lots need to be upgraded along with the lighting. He said he sees new customers daily and by late afternoon the parking lot is pretty full. It is a great neighborhood.

There were 25 hands raised in support.

Ms. Suzanne Baugh, 4728 116th Avenue SE, said she is a retired commercial real estate broker and currently serves as president of the Lake Heights Community Club. She said the community club board of directors strongly supported continuing the Comprehensive Plan amendment process for the Newport Hills Shopping Center. The center has been in decline and disrepair for years and until the last few years had a high vacancy rate and suffered significant vandalism. Recently Intercorp expressed an interest in purchasing the center and redeveloping it into a mix of townhomes, live/work units, and commercial space. To do so, the Comprehensive Plan will need to be amended to allow for greater density. There is a very small but very vocal outspoken group that is opposed to even discussing a Comprehensive Plan amendment citing traffic problems, overcrowded schools, loss of commercial space, and loss of parking for the Newport Swim and Tennis Club. What the group does not mention is that the Newport Hills Shopping Center has been in decline for at least 15 years and the current owner has neither the means nor the desire to remediate the situation. It is not known if the initial outline of the plan proposed by Intercorp will be the best or the final plan, nor are the impacts on traffic and the schools fully known. The only way to answer the questions factually will be by doing the research that is the point of the Comprehensive Plan amendment process. Times have changed and with it retail patterns. The Red Apple grocery store did not survive, and neither did Bill Pace or the Newport Hills pharmacy. Uses such as Stods baseball cages, which pays below-market rental rates, are temporary, fill-in uses. Stods as a tenant is not a viable long-term strategy for any owner. The study is needed to gain factual data with regard to traffic counts, future school enrollment versus capacity, the actual number of residential units, outdoor common space, and possible relocation of existing commercial tenants within the redeveloped project. The facts should be reviewed before unequivocally throwing out the proposed amendment. There are some who are opposed, but they are not in the majority. The current situation faced by the shopping center will become significantly worse when the next real estate decline happens. The shopping center is important to the neighborhood and the area needs to be redeveloped in order to save it.

Ten hands were raised in support.

Mr. Don Wolfe, 4546 119th Avenue SE, said he has been a resident of Newport Hills since 1972. He said he has been to the outreach meetings and has heard Intercorp's representatives give whatever answer people wanted to hear. During peak traffic times, it is not possible for residents of 119th Avenue SE to get out of their driveways. He said he was not opposed getting more data, but said it would be ridiculous to say that adding more houses will not increase the traffic impacts or the impact on the schools. The streets near the large townhome units like the ones in Newcastle are jammed full of cars, even where development has not occurred on both sides of the street. That is often because people in townhomes have two-car garages that they used for storage, choosing to park instead on the street. Intercorp was asked where people will park if they have more than two cars, and the answer given before they equivocated was that there will be 115 retail spots people will use.

Eighteen hands were raised in support.

Ms. Jeanie Marquardson, 11808 SE 49th Place, said when she moved to the community in 1979

there were two viable elementary schools and one middle school. There was also an orthodontist and two grocery stores. In the face of a downturn in enrollment, the school district closed what is now Newport Heights Elementary School, which in turn closed the feeder school of Ringdall Junior High School. There was a lot of traffic on the streets. Factoria was under construction, and there was no Coal Creek. There was plenty of foot traffic and the businesses were thriving, until the schools closed, after which the businesses dropped off. She voiced concern over the fact that the Newport Hills community does not have much by way of parks space. There was a neighborhood park along SE 60th Street opposite Ringdall Junior High School, but the city decided to make it into an athletic field with scheduled formal activities. There is a small area with play equipment for younger children. The city owns a couple of sites for potential park development, one of which is currently being used for a dog run. There are several multifamily housing developments in the Newport Hills area that are centralized near the business area, but most of them do not have areas for children to play. Bringing more multifamily units in and intensifying the population will stretch the limited parks space. The city is developing parks in other parts of the city, but Newport Hills has been ignored. It may not be realistic, but the portion of the Newport Hills Shopping Center site on which multifamily homes are proposed would be a good place for a park or a small community senior center.

Twenty-two hands were raised in support.

Mr. Chris Trentham, 5411 118th Avenue SE, said he has been a resident of the area since 2012 and patronizes the Newport Hills Shopping Center daily with his family members. He said he opposes the potential rezone because it will provide no benefit for the community. The addition of roughly five acres of R-30 and the removal of all existing neighborhood businesses will not be a net gain for the community. The rezone would result in the removal of the bulk of the community gathering space. The shopping center needs improvements and could benefit from some redevelopment, but not as proposed. The community would prefer to see senior housing included, a much less dense residential rezoning, or more neighborhood businesses, none of which Intercorp is proposing. Traffic impacts, school overcrowding, and loss of community center are the reasons for opposing the amendment.

Twenty hands were raised in support.

Mr. Kenny Tan, 11093 SE 54th Lane, said he was hearing mixed messages from Intercorp and the neighborhood. Everyone seems to be in favor of revitalizing the center, but doing so will mean more traffic regardless of how it is done. Intercorp has a new development in Newcastle called Lakehouse on a site that is 5.25 acres, but the development has only 41 townhomes. If they can be financially successful building only 41 townhomes on 5.25 acres, they do not need 110 townhomes on the 4.6-acre Newport Hills site as proposed. The property owner has claimed vacancy rates as high as 60 percent, but wants to reduce the square footage of the commercial area. Revitalizing the center would make it more appealing, and that would lead to a lower vacancy rate. If it is possible to make a profit on 41 townhomes, Intercorp should be allowed to build that many units on the Newport Hills site, and all they should need is 1.3 acres. Additionally, as proposed, Intercorp intends to put commercial uses on only a quarter of the site, so they should be allowed to do that. That would mean the site would be developed 25 percent with residential and 75 percent with commercial.

Fifteen hands were raised in support.

Ms. Heidi Dean, 11661 SE 56th Street, said she has lived in Newport Hills for 16 years, served two terms as president of the Newport Hills Community Club, and currently serves as the club's merchant liaison and chair of the shopping center revitalization committee. She noted, however,

that she was not present to speak on behalf of the club. She said the statements made about the valiant efforts to tenant the center were untrue. The property manager indicated the owner fired the property manager in 2011 or 2012 because he had done a poor job, and since then there has not been a realtor out marketing the site. Clearly there have been no aggressive marketing efforts. She said many have come to her given her position as merchant liaison who were wanting to rent spaces, but they have either been turned away by Rainier Northwest, or they have faced such a difficult process that many have just walked away. The spaces are in poor condition and are very unattractive. It is not possible to charge market-rate rents given the shape the spaces are in. The martial arts and nails units have not had heat for two years. Site maintenance has been so bad that many neighbors have called code compliance about it. The site has deteriorated, especially over the last seven years. Even so, there are still businesses interested in renting there. Bill Pace was supposed to go in one-third of the Red Apple space, but at the last minute the realtor suggested the space should not be rented to him otherwise it would not be possible to rent out the other two-thirds of the site, which now Stods is in. Mr. Pace took the pharmacy space which was really too big for him and cost him too much in tenant improvements, contributing to the demise of his business. The fact is retail does not equal more traffic than residential. None of the current retail spaces, with the exception of the mail box store, open before 10:00 a.m., well after the morning crunch. There is a peak between 5:00 p.m. and 7:30 p.m., after which everything is good. Much of the traffic is just passing through going to Newcastle and Renton, and an attempt should be made to capture that traffic by having an attractive NB-zoned center in the heart of Newport Hills. Those who are opposed to the proposed action are not small in number, rather they are large and vocal. The property owner is clearly more concerned about his property values.

Thirty hands were raised in support.

Ms. Judy Brennan, 5611 118th Avenue SE, said she was one of the people who collected signatures. She said she talked with parents after school as they came to pick up their kids, and twice collected signatures at the shopping center, and found many willing to sign their names. The vast majority of those at the shopping center agreed the proposal would be a bad idea, and 99 percent of the parents talked to felt the same way. Lake Heights Elementary School hosts the Pacific Program, one of only two elementary schools in the district to serve the special needs community. They have four classrooms in the school. The school has 675 students and has a maximum student count of 690, but in fact the school is currently operating beyond its maximum.

Fifteen hands were raised in support. Chair Hilhorst also noted that about 25 percent of the attendees had left the meeting.

Mr. Gerry Albert, 5026 123rd Avenue SE, said he has lived in Newport Hills for 25 years and along with his wife raised two children who went to the schools in the neighborhood. He agreed that the Newport Hills Shopping Center is a mess and has been decaying for years. It has gotten especially bad in the last five years. Those who live in Newport Hills love the neighborhood and the shopping center and the businesses that are there. The multifamily mixed use retail/residential scenario is in fact what works. Those who oppose moving forward with even the analysis phase in fact favor an alternative development scenario that would also add pressure on the transportation system. Crowding of the schools is nothing new, it has happened before. Traffic is bad during commute times and school start times, just as it was 25 years ago, 15 years ago and five years ago. Once the peak is passed, however, traffic dissipates and the roads are easy to travel. Something absolutely needs to be done with the shopping center; it will simply not be possible to put new retail uses in buildings that are 50 years old and make a go of it because that model has passed by. The Bellevue School District is very popular and will continue to draw

students to the area; that is not a new problem.

****BREAK****

(9:27 p.m. to 9:37 p.m.)

Mr. Nathan Anderson, 5009 119th Avenue SE, agreed that traffic in the area has always been bad, but said nothing should be done to make it worse by adding more residences. There is also the issue of safety to consider given that 119th Avenue SE has sidewalks on only one side of the street, and children walking to school must cross the street to avoid walking where there is no sidewalk. There are, however, no crosswalks until close to the school. The Newport Hills Shopping Center owner has compared the center to other area centers and what they are able to charge in rent, but those centers are zoned and built differently. The Newport Hills Shopping Center is and has been for the last 30 years a neighborhood business center model.

Fourteen hands were raised in support. Chair Hilhorst noted that half of those present prior to the break had left the meeting.

Ms. Patti Mann, 4508 116th Avenue SE, said she has lived in Newport Hills for 30 years. She said the history of the neighborhood is family. She said when she moved in there were elderly people whose children had moved out, and shortly after the children started buying their parents out. Coming back to the neighborhood is a trend. The businesses have over time been an integral part of the community. They have sponsored car shows, the Santa Claus tour and the Fourth of July picnic. The business owners have traditionally been a part of the neighborhood. The center should continue playing the role it is already playing. Removing the retail would be changing the community gathering space, and would change the role of the center. Individuals from the neighborhood have gotten together to get rid of the graffiti on the walls. The poor lighting at the center has encouraged skateboarders and drug dealers, but until there were people willing to contribute to center by coming in with things like a brewery, nothing was done about it. The city needs to address the traffic issues whether the proposed amendment goes forward or not. Most of the traffic is coming from Newcastle, and the neighborhood backs up because the lights are set to allow Coal Creek Parkway to flow. It is not the idea of revitalizing the shopping center that the neighborhood is opposed to, it is the plan that has been offered; it does not offer the retail uses the neighborhood wants. She said her preference would be to see a development with four floors of residential over one floor of retail that seems to work in every neighborhood in Seattle from Ballard to Rainier Valley. While that may be more height than the neighborhood is used to, it may be just the right compromise needed to keep the neighborhood businesses.

Sixteen hands were raised in support.

Ms. Karlene Johnson, 5125 127th Place SE, said she and her husband submitted a letter on May 16 that echoed much of what others have already said. She noted that the speakers have both opposed and supported the proposed amendment, but in fact all want the same outcome, which is a vibrant neighborhood center that has a viable commercial district that enhances the livability of the Newport Hills community that is in keeping with the character of the neighborhood. Everyone understands that will require change. The neighborhood is not opposed to change, but they want change that is right for the neighborhood. She said she personally was opposed to the level of density envisioned by the proposed amendment, and the fact that it would not address the needs of the older neighbors who may need to live somewhere else in the neighborhood because they can no longer keep up their large homes. There have been impacts resulting from the center not being maintained; the lack of maintenance certainly does not evoke the notion of being committed to the community in the same way those who live in the neighborhood are

committed to the community. The neighborhood center is needed to provide the community with an engaging third place; it needs to be home to spaces and businesses where people can meaningfully gather. The idea of reducing the available commercial space is in conflict with that vision. She rejected the idea that the only choice is between MF-H for the majority of the site and keeping the site as it is indefinitely and watching it continue to decline.

Sixteen hands were raised in support.

Mr. William Dennis, 5611 125th Avenue SE, said he has been a Newport Hills homeowner for 13 years and has no intention of leaving. He said his home is within walking distance of the shopping center and the pool. There are a lot of homes in the area that are rentals, but they are usually rented out by resident landlords. He noted that Mr. Hsiao had said the NB zoning is outdated, however what makes cities viable is walkable communities where there are restaurants and public spaces. Taking away the commercial core from Newport Hills will take the residents out of a walking mindset and put them back in their cars. There is a clear need to revitalize the Newport Hills Shopping Center, but the fact that the center is run down has to do with its ownership, not with whether or not it is a viable space.

Sixteen hands were raised in support.

Ms. Jane Landford, 4943 126th Avenue SE, said she has been a resident of Newport Hills for 11 years and works as a commercial real estate broker specializing in retail. She said she has repeatedly attempted to bring tenants to the shopping center, but mostly there has been no response. It is not factual that the center has been aggressively marketed. There is a sign in the Bank of America window but the site cannot be found on any listing site. She said she and potential investors have met at least twice with the owners, two of which would have revitalized the shopping center by keeping it largely as it is except for the addition of some townhomes. The proposed action has been timed quite well by the property owners to address the hot commodity of residential. The site is not suitable to four-over-one. The center can be viable by adding a little multifamily. It cannot be believed that 110 ownership townhomes will only have two cars each; there will be three or four cars per unit and they will be parked out on the streets and in the commercial areas. The Heartland study is outdated and should not even be referred to. The economics have changed and a new study is needed, with the applicant paying for it. With regard to tenants being late in their rent payments, she said tenants will stop paying their rents when landlords are not doing their jobs; it is one of the only ways they can protect themselves on a lease.

Ms. Valerie Barber, 4644 121st Avenue SE, voiced opposition to the proposed rezone. The question on the table is whether or not the threshold criteria have been met. The fact is the criteria have changed since the previous discussion. At first it was said the neighborhood is older and has aged buildings, vacancies and deferred maintenance, and that single-purpose retail is not supported in Newport Hills. Now it is being said that is a change in condition when in fact the condition has been the same for 30 years under the same landowner. The issue is a landowner who has not taken responsibility for the site and keeping it up. The result is an older neighborhood with aged buildings and deferred maintenance. The change was created intentionally by the landowner to where the neighborhood has come to see the site as an eyesore and that something needs to be done about it. That something does not necessarily mean a rezone. The threshold review criteria have not in fact been met. The requirements of the neighborhood have not changed. There is bad traffic in the neighborhood and the schools are crowded, and no study is needed to prove what is already known. The only change is the property owner has not chosen to invest under the current zoning criteria. There are tenants interested in the property under the current zoning, so a different zoning is not needed. The

issues that need to be addressed should not be addressed by changing the zoning. The way to change the issues will be by keeping the zoning and changing the owner. The Comprehensive Plan amendment should not be moved forward to the next phase.

Twelve hands were raised in support.

Mr. Dan Brennan, 5611 118th Avenue SE, challenged the finding of staff that there are significantly changed conditions. Rather than having a shopping center in decline, the center is in fact on the rise organically with new tenants and new retail development under way. The explosive residential growth that is currently under way in the Coal Creek and Newcastle areas will certainly increase demand on all retail in the area, including the Newport Hills Shopping Center. In fact, the Newport Hills Shopping Center is such a draw that it is included in promotional materials for Intercorp's Lakehouse development in Newcastle. The changing residential landscape in the nearby neighborhoods should be considered in deciding whether to continue with the amendment. There is already sufficient freedom under the current NB for mixed use development that will keep the central retail core in place. If the change to MF-H were allowed to go forward with a promise from developers to study the impacts later, there would be no reversing the change and the retail core would be lost. The fact that Rainier Northwest has neglected its duty to maintain the parking lot and let the property fall into decay is not a reflection on the demand for the center and its businesses.

Twelve hands were raised in support.

Mr. John Eliason, 5611 129th Avenue SE, said he has lived in Newport Hills for 30 years and is a member of the community club, though he stressed that the current president does not speak for him. He said he frequents the Newport Hills Shopping Center. It serves to get residents out of their cars and offers a community environment even in its current state. Improvements are needed, but significant changes are not needed. He said as a planner he has worked on some of the largest master plan communities in the Northwest. Newport Hills was a master plan community built in the 1960s and it is set up with very specific ratios of residential to services, schools and parks. In considering the proposed rezone, the Commission needs to take into account the larger picture, particularly the ratios on which the community was laid out. The reason Newport Hills is studied as a model is that it has been successful for 60 years and continues to be successful. Just as homes require upkeep and updating over time, so do commercial buildings. To keep the original ratios, it would be necessary to increase the amount of retail. The ratios are designed to keep traffic internal to the community as much as possible. The fact is, 110 townhomes will generate up to 180 school children, which is a third of a school site, and to build another school would be very expensive. Additionally, the money needed to fix the transportation issues on a larger scale would also be very expensive. The same is true of parks in order to keep the same ratios. He pointed out that the land use action sign that is posted on the subject property indicates MF-H on 5.9 acres, when in fact what is under contemplation is 4.6 acres, so there is a procedural issue to be addressed.

Twelve hands were raised in support.

Mr. Robert Donahue, 11627 SE 50th Place, said his family has been part of Newport Hills since 1979. He said the Newport Hills Shopping Center site has been allowed to run down to the point where woodpeckers have disintegrated part of the siding on the old bank. He said on Memorial Day weekend he visited the site and took pictures of the completely empty parking lot and suggested that to call the center vital and enthusiastic is not fully correct. Much has been said about the site being beloved and valued by the neighborhood. Those are emotions. What the city really needs to do is consider what is behind the emotions, and more data is needed before an

educated decision can be made with regard to what should be done with the site. That can only be done by agreeing to move forward with the next phase of the process. Emotion should be set aside and the facts should be considered logically. Intercorp has on multiple occasions held talks with the community and the process should be allowed to continue.

One hand was raised in support.

A motion to close the public hearing was made by Commissioner Laing. The motion was seconded by Commissioner Walter and the motion carried 6-1, with Commissioner Carlson voting no.

- iv. Parks Element #1
- v. Parks Element #2

Mr. Matz clarified that site-specific Comprehensive Plan amendments are made by or on the behalf of property owners, whereas non site-specific amendments apply citywide. The two proposals that have been brought forward are similar in nature but there are some differences. Parklands Policy #1 would amend the text of the Comprehensive Plan by adding three policies to the Parks Element that would restrict or regulate review and changes to the use of acquired park lands and properties variously by citizens, the Parks and Community Services Board and the city's formal rezone process.

Parkland #1 addresses the general framework of restricting or regulating the review process by which the city regulates publicly owned park land. Parkland #2 adds an additional component that calls for zoning all park properties in the city with a Park zone, which does not currently exist.

Mr. Matz said the recommendation of staff was that neither of the proposed parklands policies meets the threshold review decision criteria and should not be moved forward into the work program. Both intend restrictions to the City Council's legislative authority and would restrict the Council from engaging in contract execution. That is a matter of law rather than policy.

In the case of Parkland #1, the applicant has suggested that the implementation efforts around the East Link Memorandum of Agreement have violated the rules about how the city can act in disposing of park property. That question is not appropriate for a Comprehensive Plan amendment. Staff does not believe they can provide a reasonable review of the proposals because they imply statutory changes to the relationship between the city, an issuing jurisdiction, and taxpayers, whose taxes are pledged to the payment of bonds. One issue raised by the application is that the stipulation around the issuance of bonds to buy park property in the first place should be differently regulated through new policy, which gets back to the concern of interfering with the Council's legislative authority to enter into and implement contracts.

With regard to significantly changed conditions, Mr. Matz said Policy PA-37 in the Parks Element has been in place since 1974 and has been implemented with regard to the city's review procedures for park and parkland uses. There has been no unanticipated consequence or significantly changed condition warranting a policy review. The proposal is inconsistent with the larger policy framework of the general Comprehensive Plan as well as the Countywide Planning Policies in the Growth Management Act.

Parkland #2, which calls for zoning parkland with a Park zone, carries with it the implication that existing policies need restrictions. That was not tested in the recent Comprehensive Plan update. The Comprehensive Plan already designates publicly owned lands with a P or PF.

Chair Hilhorst asked why the Parks and Community Services Board was not involved. Mr. Matz explained that the proposal involves Comprehensive Plan amendments, which are addressed by the Commission. Should the amendments go forward to final review, the Parks and Community Services Board will have a role to play relative to reviewing and providing a recommendation to the Commission.

Commissioner deVadoss asked what the right forum would be to effect the proposed changes. Mr. Matz said as a matter of law, the issue would need to be submitted directly to the Council or by legal action.

Mary Smith, 1632 109th Avenue SE, spoke as applicant for the Parklands #2 application. She said she is one of the original members of the Save the Mercer Slough Committee that was instrumental in saving the land for Mercer Slough to become part of the Mercer Slough Nature Park. She said land for more parks is becoming scarce, and the city should treasure the parks it has. No one can see into the future and changes in use may be considered, it should be required that the public who paid for the parklands must be involved in any decision to change them. Parklands required through bond measures should remain parklands unless the public votes to change the usage. Any parklands used for six months or longer should be considered permanent consistent with state law. Parklands should have their own designation so citizens can be aware of zoning for parks only. Under extreme conditions where parks are to be used for non-park uses, the Comprehensive Plan should be amended appropriately. Parklands acquired through citywide bond measures should be prohibited from being used for non-park purposes unless such uses are approved through a citywide ballot measure. The use of any park property for non-park uses that exceeds the access for longer than a six-month duration should be deemed permanent and should require approval by the city Parks and Community Services Board and the City Council. City owned park lands should be designated as such in the Comprehensive Plan and zoned with a Park zoning designation, limiting solely to active and passive recreation and open space. Prior to using any dedicated public park land for non-recreational or open space use, the Comprehensive Plan should be amended and the property rezoned as a condition of such use.

Ms. Smith urged the Commission to move forward the parklands amendments so they can be addressed more fully.

All hands save one were raised in support.

A motion to open the public hearing for both parklands amendments was made by Commissioner Morisseau. The motion was seconded by Commissioner deVadoss and the motion carried unanimously.

Ms. Renay Bennett, 826 108th Avenue SE, provided the Commissioners with printed materials relative to the 1988 park bond. She explained that bond came about because citizens realized what was going on in the Mercer Slough and that there were a lot of developers wanting to develop in there. The focus was on saving the land for the future and the bond measure passed by almost 80 percent. The materials handed out also showed the trailhead just south of the park and ride, the Council agenda memorandum with the resolution passed to buy the Balitico property, and the statement that the site was selected as having the highest priority for land acquisition and the need for the property to maintain views of the Slough from Bellevue Way and to provide an appropriate entrance to the park. The Trust for Public Lands was involved in the process in that it purchased the property first with the intent of holding it until the park bond was approved. Now the Council has chosen to sell the land in order to pay for the downtown light rail tunnel, and the Trust for Public Lands was shocked to learn of it. The record includes a draft assessor report but

no final report for the Balitico property. The draft report describes the site as being unimproved with an R-1 zoning. The assessment also grossly underestimates the value of the site. Once the light rail project is completed, it will not be possible to see the Slough when coming off of I-90 because the structure will block it. Construction will require digging deep and dewatering the Slough. It is outrageous that the Council is able to sell parklands to pay for the downtown tunnel and to put a train in the Mercer Slough Nature Park. The issue is a moral one and the citizens who taxed themselves to pay for the land should have the right to decide whether or not the Council has the right to sell parklands. The Commission was urged to forward the proposed amendments into the work program.

All hands save one were raised in support.

Ms. Marianne Lee, 11627 SE 58th Street, suggested that the Newport Hills and the parklands issues are much the same in that they both address space for people. The Mercer Slough parklands were paid for by those who elected to tax themselves, in part to protect those lands and in part to give people space to enjoy. To have the lands be sold and drained is unthinkable. Even if the water returns, the ecosystem will be devastated. It will be a huge loss to the city and the environment.

Eight hands were raised in support.

Ms. Valarie Barber, 4644 121st Avenue SE, voiced concern over the fact that the issue was being addressed at such a late hour. She said the legalese thrown around by the staff was also concerning. The fact that people do not understand what is happening to the park is concerning. It is doubling concerning that staff have recommended against even studying the issue any further. People consider parks to be untouchable, especially where the funds to buy them were voted by the citizens. It should not be necessary to sue the city in order to preserve parkland. There should at the very least be a full review. The fact that the citizens do not understand what is happening, the fact that it will not be going forward for a full review, and the fact that the issue was addressed so late at night is concerning and will reflect poorly on the City Council. The Commission was urged to move the amendments forward for additional review and to bring the issue to light.

A motion to close the public hearings was made by Commissioner Morisseau. The motion was seconded by Commissioner deVadoss and the motion carried unanimously.

6. STUDY SESSION

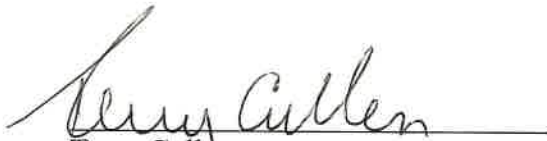
Given the lateness of the hour, the Commission concluded to continue the study session on the five Comprehensive Plan amendments to another date.

7. PUBLIC COMMENT – None

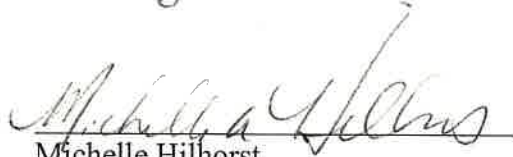
8. ADJOURN

A motion to adjourn was made by Commissioner deVadoss. The motion was seconded by Commissioner Walter and the motion carried unanimously.

Chair Hilhorst adjourned the meeting at 10:57 p.m.


Terry Cullen
Staff to the Planning Commission

9/15/16
Date


Michelle Hilhorst
Chair of the Planning Commission

9/14/16
Date