

CITY OF BELLEVUE
EAST MAIN STATION AREA PLANNING
CITIZEN ADVISORY COMMITTEE
MEETING MINUTES

February 23, 2016
4:00 p.m.

Bellevue City Hall
Room 1E-113

MEMBERS PRESENT: Chris Breiland, Christie Hammond, John King, Scott Lampe, Jim Long, Erin Powell, Danny Rogers, Pamela Unger, Bill Thurston

MEMBERS ABSENT: None

OTHERS PRESENT: Mike Kattermann, Planning and Community Development Department; Phil Harris, John Murphy, Marie Jensen, Transportation Department

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER, APPROVAL OF AGENDA, APPROVAL OF MINUTES

The meeting was called to order at 4:01 p.m. by Chair Lampe who presided.

A motion to approve the agenda with the order of items 3 and 4 reversed was made by Mr. Long. The motion was seconded by Mr. Breiland and the motion carried unanimously.

Mr. King called attention to the last sentence in the last paragraph on page 1 of the January 26, 2016, meeting minutes and asked what the average height of 200 feet referred to. Senior Planner Mike Kattermann said it referred to all the buildings on the site.

There was agreement to verify what the speaker had said.

Mr. King called attention to the first paragraph on page 10 and noted that "...decide not to use only half..." should read "...decide to use only half..."

A motion to approve the minutes as amended was made by Mr. Long. The motion was seconded by Mr. Thurston and the motion carried unanimously.

Mr. Kattermann took a moment to introduce Marie Jensen, the city's new East Link outreach lead. He said Ms. Jensen will serve as the contact person for all things related to the East Link project, including the work of the Committee.

2. PUBLIC COMMENT

Mr. Mon Wig, 4811 134th Place SE, praised Mr. Kattermann for his work in revising the documents. He called attention to paragraph 2 on the last page of Attachment 5 and suggested the third bullet should be clarified to specifically note that big box retail is not allowed but grocery stores and drug stores are allowed. He also suggested the word “immediate” should be changed to “Bellevue” in the fourth bullet, and stressed that mass is needed in order to create the gravity that will cause people to come to the site. Throughout the Puget Sound area, many isolated centers that do not have enough retail square footage are going downhill, a fact that has been verified by CBRE.

Ms. Leshya Wig, 4811 134th Place SE, pointed out that the documents indicate a maximum FAR but not a base FAR, which is the density allowed without offering certain amenities. She said redevelopment of the Red Lion site will need to reach for the maximum FAR in order to justify the development. Having a base FAR, however, makes it clear what the starting point is. Zoning in Bellevue typically includes a base and a maximum FAR, and the amenity system is used to move from the base toward the maximum. A base and a maximum will likely ultimately be set for the district, but the Committee should decide if it wants to weigh in on those items.

Mr. Geoff Bidwell, 1600 109th Avenue SE, informed the Committee that he filed an appeal to the East Link permit. There is nothing in the permit that plans for traffic mitigation; there is only a statement indicating it is known there will be impacts. The community is looking to the Committee to protect the neighborhoods by including strong language to that effect.

Mr. Michael Koehn, 315 108th Avenue SE, shared with the Committee photos taken of traffic in the Bellecrest neighborhood, including school traffic. He noted that there is already a lot of traffic in the neighborhood and it will only increase over time as the city continues to fill out with condominiums and storefronts. If growth continues at the current rate, the neighborhood will see 10,000 cars per day instead of the current 5000. Traffic congestion is also likely to affect the remaining exits from Surrey Downs, and the Committee was ask to include language in the final recommendation that will enable the city to protect the neighborhood.

Ms. Renay Bennett, 826 108th Avenue SE, noted from the meeting minutes that Chair Lampe asked about the potential for including a left-turn movement at 108th Avenue SE as proposed during public comments. She said she had not actually proposed that but rather had said if that is done, it should be done concurrent with the mitigation on 108th Avenue SE. She also noted from the minutes that several members of the Committee discussed the possibility of changing access at 110th Avenue SE. The thinking was that everyone wants better access to and from the neighborhood, but it should be kept in mind that while SE 1st Place and SE 4th Street are being closed both for Surrey Downs and Bellecrest. What happens in one neighborhood will affect the other, so allowing more access into one point but not in another will result in channeling the traffic. Attention was called to the first paragraph on Page 1 of Attachment 4 and suggested the third paragraph should be revised from “...neighborhood access points have been modified...” to “...neighborhood access points and streetscapes have been modified...” She also noted that on Page 1 of Attachment 5 item 7 under the traffic section and suggested that the time for exploring is over; the item should read “Implement new technologies...to and from downtown through residential areas.” Item 10 in that same section suggests adding protected left-turn signal phases for all legs of Main Street to 108th Avenue SE, but the Committee has not previously used the

term “all legs.” It would be better to call for the mitigation to occur concurrently. She suggested stronger language for item 11, substituting “implement” for “evaluate.” There is mention in the document of low-income housing which has never been discussed by the Committee or proposed for the area around the station. The Bellecrest Neighborhood Association was founded in 1990 specifically to deal with traffic problems. Every year since then the top issue has been traffic and safety. A meeting with city staff was held in 2014 at which the neighborhood was asked to meet to discuss the issue and to come back with proposed solutions. That was done and 83 percent of the residents who participated indicated a desire for strong traffic and safety mitigation. Accordingly, the Committee should use very strong language in its recommendations.

Mr. Kattermann reminded the Committee members that the online open house will go live on March 21 and will remain active through April 10. The Committee’s next regular meeting will be on March 22 and the focus will be on reviewing the materials for the live open house on March 29.

Ms. Unger recommended against going live with the online open house until after the March 22 Committee meeting. Mr. Kattermann said he would review the majority of the online materials with the Committee during the meeting so they can be handed off to the consultant in time to get the online open house up and running.

4. Continued Discussion and Approval of Draft Vision Statements & Strategies for Public Review

Mr. Kattermann reminded the Committee members that the land use/redevelopment section was split into two segments: the primary transit-oriented development area between Main Street and SE 6th Street, and the secondary transit-oriented development area between SE 6th Street and SE 8th Street. He noted that Strategy 1 is simply a statement of current practice.

Strategy 2 captures several issues, including a mix of uses, either within the buildings or on the site. The uses in the mix could include housing, office and retail. The retail uses would be those goods and services that serve the community, but would not include big box retail. The office uses would be in mid- to high-rise structures, and the residential use would be in low-rise structures, such as townhouses, or in mid- to high-rise structures, with options for both market rate and affordable housing. Hotel is an important part of the mix even though it serves a much larger area.

Ms. Powell asked what constitutes market-rate and affordable housing. Mr. Kattermann said market-rate units are priced at whatever the market will support. Affordable housing units are priced below market rate and generally are affordable to those making 80 percent or less of the area median income. A range of housing affordability in transit-oriented developments is needed in order to accommodate those who will use the transit to get to and from their jobs.

Ms. Powell asked if there is an idea for what percentage of the housing units on the Red Lion site would be classified as affordable. Mr. Kattermann answered that the Committee has not

discussed that, and added that it would not necessarily be the Committee's task to do so. Affordable housing requirements are determined by the City Council.

Chair Lampe stressed the need to avoid providing the wrong incentives for affordable housing in the redevelopment area, something the neighborhood has taken a pretty strong stance against in the past.

Ms. Unger said the Committee should make sure the incentives are not set up to allow the developer anything they want above and beyond the standard for affordable housing. Mr. Kattermann reiterated that there is no standard for affordable housing in Bellevue. He said the Committee was not being asked to make a determination as to what the incentives should be or how much any incentives might be worth. To do so requires a great deal of economic analysis, something that is worked out through the Planning Commission and the City Council. He said he would gladly include in the recommendation any comments the Committee wanted to make about the need for a balance of housing types and affordability, but ultimately it will be the Council that decides. There is no call to highlight the redevelopment area as appropriate for a lot of affordable housing.

Mr. Thurston added that affordable housing is difficult to develop without subsidies. Absent subsidies, the quality of the units is much lower. However, incentives that give something in exchange for providing some affordable units can be successful.

Chair Lampe pointed out that in the Bel-Red corridor, there is a base FAR of 1.0. The maximum FAR of 4.0 can be achieved only through the incentive system, and the first tier involves affordable housing. Mr. Kattermann said the incentives are different for just about every zone in the city. Much depends on the local economics. In the case of Bel-Red, developers can either provide a certain amount of affordable housing or pay a fee in lieu which is used to invest in affordable housing elsewhere. Phase I of the Spring District project will not include affordable units, and the developer has paid a fee in lieu. For the second phase, however, one of the developers has expressed an interest in the multifamily tax exemption program recently adopted by the city under which they can receive credit on their taxes in exchange for providing affordable units.

Chair Lampe said he would like to see the units developed be of high quality and designed to mix well with the existing surrounding neighborhood.

Ms. Hammond suggested the Committee was dangerously close to making the assumption that any affordable units developed will not be good quality and will not have nice amenities. Affordable housing and market-rate housing is not necessarily mutually exclusive. She said she would not support including a statement indicating a preference for market-rate units.

Mr. Rogers questioned whether affordable housing is needed in order to support ridership of the light rail. Mr. Kattermann said an economic analysis would be needed to determine what will be needed to support light rail. He pointed out that it is not so much about ridership given that the units will be provided regardless. It is really about providing opportunity, which is one of the goals the Council has set for the entire city. The highest percentage of household income is spent

on housing; the second largest percentage is spent on transportation. Clearly the two issues go hand in hand.

Ms. Unger proposed revising the residential bullet to refer to the option for market-rate and affordable housing that fits in with the existing community.

Ms. Powell suggested it should be up to the developer to determine the mix of market-rate and affordable housing. Mr. Kattermann said typically affordable units are mixed in with market-rate units. They have the same quality and they all meet the same standards. The difference is in the rent charged rather than in the quality of the units. As drafted in the draft strategies, the proposal is for new residential buildings to provide housing for a variety of family sizes and income levels.

Mr. Breiland said the reality is that the land is so expensive that developers cannot afford to slap up a shoddy project. Projects aimed specifically at providing affordable housing would require a huge subsidy in order to locate on such expensive land. He suggested that the draft wording was acceptable to him.

Mr. Thurston said it is not uncommon for cities to use incentives and other approaches to get affordable units developed. Mr. Rogers agreed and said the system in place for Bel-Red is fair. Downtown Seattle has a mitigation bank that developers pay into and the funds are used to develop affordable units.

Mr. Long noted that he spent eight years as board president of Imagine Housing, an organization that develops affordable housing. He said the high-density residential allowed in the zoning will be determined by what makes sense for the project. The mix of affordable units and market-rate units will be worked out between the developer and the city. He said he could see no compelling reason to revise the wording of the second bullet of the second draft strategy under land use/development.

Mr. Thurston cautioned the Committee to steer clear of trying to determine how much affordable housing any particular development should have. Trying to be too specific, especially where all of the tools are not in place, will only add to the ambiguity. The broader brush calling for housing for a variety of family sizes and income levels is all that is needed.

Ms. Hammond suggested the Committee should be clear about what it will accept and what it will not accept. The Committee should not simply leave it open ended.

There was agreement to revise the bullet to read “Housing for a variety of family sizes and income levels that fits with the quality of the community.”

Ms. Hammond asked if the new transit-oriented development zone will have a base FAR. Mr. Kattermann said there is always a base. It will be established when the actual code language is developed by the Planning Commission. No economic study has been done yet for the transit-oriented development area to know what would work in terms of project economics and land

values. In Bel-Red, the base FAR is 1.0 and the maximum is 4.0. The FAR on the transit-oriented development site currently is 0.5.

Mr. Thurston commented that throughout the work of the Committee, the focus has been on different development scenarios with FARs ranging from 1.0 to 4.0. He noted that the Wigs have indicated a desire to see an FAR of 4.0 in order to support the kind of density they will need for a mixed use development. The fact is, the city process to determine the minimum and maximum for the site could take more than a year. The Committee should step up with a recommendation for a specific base FAR.

Ms. Unger said she was not sure it was within the purview of the Committee to recommend a base FAR. She commented that FAR in and of itself does not bring about good building design and open space.

Mr. Breiland said he was not comfortable trying to set a base FAR without having an economic study in hand.

Ms. Powell stated that as the FAR for the site is increased, the impacts of traffic on 108th Avenue SE and the surrounding streets will also increase. The impacts to 108th Avenue SE are unacceptable, and the fact that the FAR will probably quadruple, the impacts will increase dramatically. The traffic situation should be looked at in conjunction with looking at the FAR. Everyone wants to see an iconic development on the Red Lion site, but there should at the same time be concrete and positive changes made to the existing road system to benefit the neighborhoods. If livability for the homes along 108th Avenue SE is going to decrease, no increase in FAR for the redevelopment area should be allowed.

Ms. Hammond said it was her understanding that the base FAR is the minimum amount of development the city will allow. Mr. Thurston corrected her by pointing out that development does not have to match the base FAR. The base FAR is the maximum density that can be achieved without having to go through a variance. Ms. Hammond commented that if the allowed FAR is not high enough, the Red Lion site will simply stay the way it is, or it will redevelop but will not be successful, and that will hurt the local area.

Mr. Thurston agreed. He added that the one thing that is required in order to achieve a placemaking mixed use development is density. The city is fortunate to have a property owner that wants to go forward with creating a quality development. The one thing they will not do is put together a project that will not be successful. While local residents probably would like to see less development with more success, that simply cannot happen. A base FAR that will provide an adequate pathway to success should be established, and from there more density can be allowed in exchange for various amenities.

Mr. Kattermann pointed out that no other CAC has ever established a base FAR, and the reason is it requires a fairly sophisticated economic analysis to determine what is appropriate to get to the desired outcome. Should the Committee decide to pick a number, it will mean nothing going forward. Leaving to the established process the determination of what the incentives should be gives the city the mechanism needed to work out what the tradeoffs should be; the established

process involves the Planning Commission, the City Council, economists and input from developers. The current zoning for the site has a maximum FAR of 0.5 and that is what will be in place until new zoning is adopted, a process that will probably take a year and a half.

Ms. Hammond asked if there would be merit to the Committee recommending that the base FAR be sufficiently high enough to support the vibrant community the Committee has described. Mr. Kattermann said that would in fact be very helpful guidance.

A motion to revise the language of the fifth bullet calling for a minimum base that is sufficiently high enough to support the vibrant community discussed by the Committee was made by Ms. Hammond. The motion was seconded by Ms. Unger.

Mr. Thurston sought a friendly amendment to the motion to include the notion of assuring a placemaking development along with a vibrant community. Ms. Hammond agreed.

Ms. Powell said there also needs to be concurrent traffic mitigation and solutions for the Bellecrest neighborhood. Ms. Hammond said she saw that as an issue separate from the motion on the floor. Ms. Powell sought a friendly amendment to include the notion of concurrent traffic mitigation.

Ms. Hammond declined to accept the proposed friendly amendments.

Mr. Long noted that the Committee has discussed strategies that address the traffic impacts on the nearby residential communities. Ms. Hammond said her understanding of Ms. Powell's concern is that what the Committee has outlined is not sufficient or specific enough.

Ms. Unger said the fact is Bellevue is developing and growing. It would not be right for the Committee to say Bellevue should not continue to develop or that no more traffic should be allowed in one place because of the impacts to Bellecrest. That is not the right answer for Bellevue as a whole.

Mr. Breiland pointed out that the redevelopment area fronts 112th Avenue SE, and said the traffic issues on 108th Avenue SE are predominantly driven by what is going on in the downtown core. That is an entirely different issue. Development on 112th Avenue SE should not be allowed to be sidetracked by traffic impacts triggered by the downtown.

The motion to revise the fifth bullet under paragraph 2 of the Land Use Code/redevelopment section of the draft strategies to read "Put in place a minimum base that is sufficiently high enough to support the kind of vibrant and placemaking development described by the Committee" carried 7-1, with Ms. Powell voting no.

Ms. Hammond called attention to the fourth bullet and asked what "immediate community" and "within pedestrian areas" will accomplish. Mr. Kattermann said the phrases are intended primarily to address the big box retail issue. One key word is "primarily," which means the focus on the immediate community is not fully limited to just those who will live and work in the new development or those who live in the neighborhoods immediately surrounding it. Ms. Hammond

suggested specifically calling out big box uses if that is the intent. Mr. Kattermann said the Committee could choose to take that approach, though the bullet includes more than just a focus on big box uses by being less specific.

Mr. King favored the suggestion made by Mr. Wig to change “immediate community” to “Bellevue community.” Mr. Kattermann said the Committee could also choose to take that approach, though he pointed out that that is not what the Committee had previously discussed.

Mr. King proposed eliminating the word “immediate.” There was consensus to do so.

With regard to building height, Mr. King voiced concern about the visual impact of towers right on 112th Avenue SE. He noted that the Committee had discussed moving them back, but not so far as to put them in the view corridor. The suggestion was made by the Wigs at a previous meeting that tall trees might be useful in screening the taller buildings and preserving the neighborhood feel on the Surrey Downs and Bellecrest side of the road. Mr. Kattermann shared with the Committee schematic drawings that gave the sense of the existing building and the buildings that could potentially be constructed under the proposed approach. The drawings included scenarios that included buildings of various heights located in different places on the site. He also shared photos of actual buildings in Bellevue and indicated their various heights.

Mr. Long pointed out that it will all come down to where the tall buildings are allowed to be sited, and that has yet to be determined. Mr. Kattermann agreed but said the Committee is free to weigh in on its vision for the area.

Ms. Hammond asked what can be done relative to pushing the taller buildings back away from 112th Avenue SE while still keeping them out of the view corridor. Mr. Kattermann reminded the Committee members that the consultant VIA had previously been tasked with developing a site plan to see if an FAR of 4.0 could be achieved without interfering with the view corridor. They concluded that it can be done. On the Red Lion site, it was found that an FAR of 5.0 could be accommodated. Language could be added to the recommendation about keeping the taller buildings back as far as possible from 112th Avenue SE but out of the view corridor.

Chair Lampe pointed out that examples from the Pearl District in Portland make it clear that staging buildings back a reasonable distance from the roadway effectively softens the look and feel from the sidewalk. Mr. Thurston agreed and commented that appropriately landscaped sidewalks in conjunction with setbacks and staircased buildings will be key.

Mr. Breiland allowed that the Wigs have made a case for buildings up to 300 feet tall, but said in his opinion buildings that tall should not be allowed to drift further south away from the downtown. If building height of 300 feet is ultimately allowed, it should be limited to the area fronting Main Street. Heights of up to 200 feet would be appropriate for the rest of the site.

Mr. Thurston said he did not believe everything needs to be treated the same. He said the first need of the Bellevue Club is parking, not tall buildings.

Mr. Long said he could support allowing for some encroachment in the view corridor if it would help accommodate the Surrey Downs and Bellecrest neighborhoods.

Ms. Hammond said she would not support 300-foot buildings on 112th Avenue SE. If the Red Lion site were to be divided into thirds, taller buildings could be allowed on the second more internal third and the overall density desired could still be achieved. She said she could probably compromise and allow a larger building at the corner of Main Street and 112th Avenue SE, but the Committee should be very specific about what it wants to see along the bulk of 112th Avenue SE.

Ms. Hammond suggested the Committee's recommendation should reflect exactly what it wants to see happen. If the Committee believes the view corridor should be ditched, that should be clearly stated in the recommendation. She also said the Committee at its next meeting should start its conversation with the issue of the maximum FAR. She commented that she had reviewed the draft vision and strategies and found that the only place where vehicular traffic is specifically discussed is in regard to hide and ride parking; the conversation on vehicular traffic has not been sufficient and it needs to be revisited.

5. PUBLIC COMMENT

Mr. Mon Wig, 4811 134th Place SE, thanked the Committee members for their time and comment. He said the discussion provided a lot of insight as to what the Committee wants to see.

6. ADJOURN

Mr. Kattermann said the next meeting would be March 22 and that there would not be an open house during the month.

Chair Lampe adjourned the meeting at 5:54 p.m.