



# Bellevue Planning Commission

**Wednesday, May 11, 2016**

6:30 ▪ 1E-113

City Hall ▪ 450 110th Avenue NE, Bellevue

## Agenda

Regular Meeting

(Listed times are approximate only.)

- |           |  |       |
|-----------|--|-------|
| 6:30 p.m. | <b>1. Call to Order</b><br><i>Michelle Hilhorst, Chairperson</i>   |       |
| 6:35 p.m. | <b>2. Roll Call</b><br><i>Michelle Hilhorst, Chairperson</i>   |       |
| 6:40 p.m. | <b>3. Approval of Agenda</b>   |       |
| 7:10 p.m. | <b>5. Public Comment*</b><br><i>Limited to 5 minutes per person or 3 minutes if a public hearing has been held on your topic.</i>  |       |
| 7:15 p.m. | <b>6. Communications from City Council, Community Council, Boards and Commissions</b>  |       |
| 7:20 p.m. | <b>7. Staff Reports</b>  |       |
| 7:25 p.m. | <b>8. Draft Minutes Review</b><br><i>April 13, 2016</i><br><i>April 27, 2016</i>   |       |
| 7:35 p.m. | <b>9. Study Session</b><br><b>A. Single Family Room Rental Update on Enforcement</b><br>Status report of a recent code amendment affecting single family room rentals.<br><i>Carol Helland, Land Use Division Director</i>   | Pg. 1 |
| 8:05 p.m. | <b>10. B. Expansion of Floor Area Exception for Assisted Living Uses through Provisions of Affordable Housing Land Use Code Amendment (continued from April 27, 2016 meeting)</b><br>Review of proposed code amendment to allow an incentive in the code for affordable assisted living.<br><i>Carol Helland, Land Use Division Director</i> | Pg. 3 |

8:35 p.m.

**11. C. Downtown Livability**

Pg. 17

Commission will continue discussion from April 13 meeting and develop preliminary recommendations for building height and urban form, where and when departures and code flexibility would be allowed and the proposed structure and approach for the updated incentive zoning system.

*Emil King AICP, Strategic Planning Manager*

10:30 p.m.

**12. Public Comment\*** - *Limited to 3 minutes per person*

10:45 p.m.

**13. Adjourn**

**Planning Commission Members**

Michelle Hilhorst, Chair

John deVadoss, Vice Chair

Jeremy Barksdale

John Carlson

Aaron Laing

Anne Morisseau

Stephanie Walter

John Stokes, Council Liaison

**Staff Contacts**

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Kristin Gulledge, Administrative Assistant 425-452-4174

*\* Unless there is a Public Hearing scheduled, "Public Comment" is the only opportunity for public participation.*

*Wheelchair accessible. American Sign Language (ASL) interpretation available upon request. Please call at least 48 hours in advance: 425-452-5262 (TDD) or 425-452-4162 (Voice). Assistance for the hearing impaired: dial 711 (TR).*



DATE: May 11, 2016

TO: Chair Hilhorst and Members of the Planning Commission

FROM: Carol Helland, Land Use Division Director 452-2724  
Development Services Department

SUBJECT: Single Family Room Rental Update on Enforcement

**INTRODUCTION**

The City recently adopted a code amendment affecting single family room rentals. The Planning Commission has requested that City staff present an update on the enforcement of these code provisions.

In summary, the code requires:

- Not more than four adult persons, unless all are related by blood, marriage, or legal adoption may occupy a residential structure.
- If more than 4 unrelated adults live in a home, Code Compliance will investigate the circumstances:
  - Code Compliance Officer may contact you to ask additional questions.
  - Code Compliance Officer may contact the tenants or home owners to ask questions.
  - Code Compliance Officer may conduct 3 site visits and possibly talk with tenants onsite.

City staff from Development Services and Code Compliance will present an update on the enforcement of these code requirements.

**RECOMMENDATION**

This agenda item is for information only. No action is required.



DATE: May 11, 2016

TO: Chair Hilhorst and Members of the Planning Commission

FROM: Carol Helland, Land Use Division Director 452-2724  
Development Services Department

Terry Cullen, AICP, Comprehensive Planning Manager 452-4070 Planning &  
Community Development Department

SUBJECT: Floor Area Increase for Assisted Living Uses through Provision of Affordable  
Housing - File No. 16-126684-AD

### **INTRODUCTION**

On December 14, 2015, representatives of Aegis Living came before the Council in Oral Communications with a request to initiate and expedite a Land Use Code Amendment (LUCA) that would affect their property in the BR-MO District. They presented specific LUCA language that would allow the maximum floor area dedicated to “assisted living” use in the Bel Red Medical Office District (BR-MO) to exceed the base FAR of 1.0 up to a maximum FAR of 2.0, subject to provision of a fee-in-lieu affordable housing incentive.

The City Council discussed the merits of undertaking a code amendment to achieve the objectives of the Aegis Living proposal on February 1 and February 22, 2016. On February 22, the Council initiated a narrowly tailored LUCA to enable increased density in multifamily districts city-wide for assisted living where combined with on-site or fee-in-lieu provision of affordable housing, and forwarded the LUCA to the Planning Commission for a public hearing and recommendation.

### Public Hearing

The Planning Commission held a public hearing and study session on the Council-directed code amendment on April 27, 2016. At the hearing, three members of the public spoke to the LUCA proposal. The themes from the public testimony received at the hearing were as follows:

1. Creation of housing is the goal, but the collection of an in-lieu fee is only the first step in the realization of that goal. The City needs to take steps to ensure that affordable housing is constructed in Bellevue.
2. Increases in FAR can impact transportation systems.
3. Assisted living uses available in Bellevue are not sufficient to meet anticipated demand.
4. The narrowly scoped fee-in-lieu proposal before the Planning Commission for consideration is not the proper forum to study or propose implementation strategies necessary to meet demand for assisted living uses that are affordable to seniors when their household income is less than 80 percent of the median annual income for the Seattle Metropolitan Area.

5. The FAR increase proposed in response to the Aegis request should be limited to the Bel-Red subarea, and consideration of the applicability of this amendment to Downtown should be considered as part of the Downtown Livability Initiative.

### Study Session

At the study session following the public hearing, the Planning Commission had a robust conversation about the short term objectives achieved by the LUCA proposal, versus the long term need of the City to make affordable housing options available in Bellevue to seniors with a range of assisted living care needs. The Planning Commission also discussed and asked for more information about how fee in-lieu money for affordable housing is applied, actual results, the timeframe to get units built and the issue of geographically restricting the use of the funds.

Based on the study session discussion, staff has prepared a draft Transmittal Memo and revised Ordinance that respond to the following direction provided by the Planning Commission.

1. Revise the Ordinance to focus on changes to the BelRed ordinance that are necessary to take advantage of the time-sensitive opportunity presented by the Aegis proposal.
2. Revise the Ordinance to delete the Downtown area.
3. Include recommendations in the Transmittal to Council that convey the Planning Commission interest in pursuing opportunities to create affordable housing, for seniors, in Bellevue, that include an assisted living care component and consider application of the ordinance in other areas, where feasible.

A draft transmittal to Council and revised ordinance have been drafted in response to the Planning Commission direction received, and are included in Attachment A and B, respectively. The Commission also requested additional information regarding the current fee-in-lieu system in BelRed and whether the system has been effective in achieving the desired goals, and whether there are timing limitations on use of the money collected.

Staff will be present at your May 11 meeting to continue the conversation on the narrowly-scope FAR Increase amendment to the LUC.

### **ATTACHMENTS**

1. Revised Ordinance to tailor the FAR increase charge to Bel Red
2. Draft Transmittal of Recommendation to the City Council

CITY OF BELLEVUE, WASHINGTON  
ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE amending the Land Use Code, amending a portion of Section 20.25D.080 of the Bellevue City Code to provide for an increase in available Floor Area when affordable housing is provided through a fee-in-lieu or negotiated in return for affordable housing that is provided on site: modifying the Floor Area Ratio (FAR) Exceptions provided in the Bel Red Medical Office and Bel Red Office Residential Districts to except up to 1 FAR subject to payment of a fee-in-lieu or the terms of an executed Development Agreement, providing for severability, and establishing an effective date.

WHEREAS, the Comprehensive Plan Housing Vision is for Bellevue to meet “the housing needs of its diverse population, strengthening neighborhoods and communities;” and

WHEREAS, the Comprehensive Plan Housing Goal promotes “a variety of housing opportunities to meet the needs of all members of the community;” and

WHEREAS, the Comprehensive Plan Policies HO-7 and HO-23 encourage “the development of affordable housing through incentives and other tools . . . ;” and

WHEREAS, the Comprehensive Plan Policy HO-34 seeks to “provide reasonable accommodation for housing people with special needs in all areas . . . ;” and

WHEREAS, the State Environmental Policy Act (SEPA), Chapter 43.21C RCW, and the City’s Environmental Procedures Code, (Chapter 22.02 BCC) have been met and a Determination of Non-significance was issued on April 21, 2016; and

WHEREAS the Planning Commission has found that the proposed amendments are consistent with the Comprehensive Plan, enhance the public safety and welfare, and are not contrary to the best interest of the citizens and property owners of the City of Bellevue;

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Land Use Code Section 20.25D.080.B.3 is hereby amended as follows:

B. Exceptions to Dimensional Requirements.

....

3. Floor Area Ratio Exceptions.

a. Per the FAR Amenity Incentive System, LUC 20.25D.090, floor areas dedicated to affordable housing, public restrooms, and child care/nonprofit uses shall not be counted for the purpose of calculating FAR.

b. Each square foot of ground floor retail and enclosed plaza meeting the criteria set forth below shall not be counted for the purpose of calculating FAR:

i. Ground Floor Retail Uses: Ground floor retail uses as defined in LUC

20.25D.130.A shall not be counted provided the following limitations are met:

- (1) The ground floor retail shall only be eligible for exception if located within a multi-story, multi-use building;
- (2) The ground floor retail shall meet the requirements set forth in LUC 20.25D.130.A, Bel-Red Subarea Development Standards, applicable to retail uses;
- (3) Outside the nodes the maximum depth of tenant space eligible for exception is 60 feet; and
- (4) Inside the nodes ground floor retail shall not be counted.

ii. Enclosed Plazas shall not be counted provided the following limitations are met:

- (1) The enclosed plaza shall be clearly visible and accessible from the public right-of-way;
- (2) The enclosed plaza shall coordinate with and complement ground floor retail uses to the maximum extent feasible;
- (3) At least 10 percent of the surface area of the enclosed plaza shall be landscaped;
- (4) The enclosed plaza shall contain at least one sitting space for each 100 square feet of plaza;
- (5) The enclosed plaza shall be a minimum size of 1,000 square feet;
- (6) Only 4,000 square feet of the enclosed plaza shall be excepted for the purpose of calculating FAR;

(7) The enclosed plaza shall have a minimum horizontal dimension (width and depth) of no less than 20 feet;

(8) The enclosed plaza shall be signed as "Public Access" and open to the public from 7:00 a.m. to 9:00 p.m. daily or during business hours, whichever is longer. The sign for the enclosed plaza shall be visible from the public right-of-way; and

(9) Any use or feature for the exclusive use of the building users or tenants shall be counted for the purpose of calculating FAR.

c. In the BR-MO and BR-OR land use districts, up to 1 FAR of floor area dedicated to on-site affordable housing in a congregate care senior housing, nursing home or assisted living project shall not be counted for the purposes of calculating the FAR, provided that:

i. The square footage of excepted floor area shall be negotiated through a Council-approved development agreement that is consistent with Chapter 36.70B RCW;

ii. The bedroom mix and exterior finishes shall be comparable to the market rate units, but interior design, unit size, amenities and interior finishes may vary;

iii. A public benefit shall be derived from the development of affordable housing in the proposed location; and

iv. An agreement in a form approved by the City shall be executed by the applicant and recorded with the King County Record's Office, or its successor organization, requiring the affordable housing to remain for the life of the project. This agreement shall be a covenant running with the land, binding on assigns, heirs, and successors of the applicant.

d. In the BR-MO and BR-OR land use districts, up to 1 FAR of floor area dedicated to Congregate Care Senior Housing, Nursing Home, or Assisted Living uses shall not be counted for the purposes of calculating the FAR, provided that the applicant:

- i. Pays the residential fee-in-lieu of providing on-site affordable housing, pursuant to LUC Chart 20.25D.080.B.3.c, in the fee amount required by LUC Chart 20.25D.090.C for each square foot of excepted floor area; and
- ii. Executes and records with the King County Record's Office, or its successor organization, an agreement in a form approved by the City dedicating the excepted floor area to Congregate Care Senior Housing, Nursing Home, or Assisted Living uses for the life of the project. This agreement shall be a covenant running with the land, binding on assigns, heirs, and successors of the applicant.

Section 2. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this ordinance.

Section 3. Effective Date. This ordinance shall take effect and be in force five (5) days after adoption and legal publication.

Passed by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2016 and signed in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

(SEAL)

\_\_\_\_\_  
John Stokes, Mayor

Approved as to form:

\_\_\_\_\_  
Lori M. Riordan, City Attorney

Attest:

\_\_\_\_\_  
Kyle Stannert, City Clerk

Published: \_\_\_\_\_



## Planning Commission

# TRANSMITTAL

DATE: May 11, 2016  
TO: Mayor Stokes and Members of the City Council  
FROM: Chair Hilhorst and Members of the Planning Commission  
SUBJECT: Expansion of Floor Area Exception for Assisted Living Uses through Provisions of Affordable Housing Land Use Code Amendment File No. 16-126684-AD

With this transmittal the Planning Commission recommends by a vote of \_\_\_ to \_\_\_ that the City Council:

- APPROVE the Land Use Code Amendment to expand the floor area exception to assisted living uses in the Bel-Red Subarea when affordable housing is provided.

The Planning Commission also recommends by a vote of \_\_\_ to \_\_\_ that the City Council:

- Forward to the Technical Advisory Group for the Affordable Housing Strategy a request to explore available techniques and recommend strategies for Bellevue to pursue affordable housing opportunities, for seniors, in Bellevue, that include an assisted living care component.

The recommended Land Use Code Amendment is contained in Attachment 1 to this transmittal. The balance of this Planning Commission transmittal describes the recommended amendment in greater detail, provides an overview of the public review process, and responds to the amendment decision criteria.

### BACKGROUND

On December 14, 2015, representatives of Aegis Living came before the Council in Oral Communications with a request to initiate and expedite a Land Use Code Amendment (LUCA) that would affect their property in the BR-MO District. They presented specific LUCA language that would allow the maximum floor area dedicated to “assisted living” use in the Bel Red Medical Office District (BR-MO) to exceed the base FAR of 1.0 up to a maximum FAR of 2.0, subject to provision of a fee-in-lieu affordable housing incentive.

The City Council discussed the merits of undertaking a code amendment to achieve the objectives of the Aegis Living proposal on February 1 and February 22, 2016. On

February 22, the Council initiated a narrowly tailored LUCA to enable increased density in multifamily districts city-wide for assisted living where combined with on-site or fee-in-lieu provision of affordable housing, and forwarded the LUCA to the Planning Commission for a public hearing and recommendation.

The Planning Commission held a public hearing and study session on the Council-directed code amendment on April 27, 2016, and an additional study session on the final ordinance and transmittal on May 11, 2016.

## **SUMMARY OF PROPOSAL**

The LUCA recommended by the Planning Commission would enable a density increase in the BelRed subarea where:

1. Residential density is governed by FAR,
2. The FAR Amenity System currently does not apply, and
3. Assisted living, congregate care and nursing home uses are permitted.

The resulting amendment would expand the excepted FAR for affordable housing uses to the BelRed-Medical Office (BR-MO) and BelRed-Office Residential (BR-OR) land use districts. The balance of the BelRed districts either except affordable housing as an existing amenity, or do not permit assisted living, congregate care and nursing home uses. Therefore, amendments to the BelRed overlay outside these two land use districts are not necessary to achieve the Council direction.

Where the amendment is applicable, the new language would except up to 1 FAR of affordable housing from the calculation of FAR for a residential project if certain criteria are met. If the affordable housing is provided on-site, the amount of excepted FAR would be negotiated through a development agreement and the affordable housing would be required to meet applicable design criteria, a public benefit must be shown to be derived from development of affordable housing at the proposed location, and an agreement must be executed with the City to ensure that the affordable housing remains on the site for the life of the project.

If the affordable housing is not provided on-site, the applicant is required to pay a fee-in-lieu, and must execute an agreement with the City to ensure that the use remains dedicated to assisted living, congregate care or nursing home for the life of the project. In BelRed, calculation of the in-lieu-fee would be based on the affordable housing amenity rates of \$18 per square foot of bonus FAR that is adopted into the BelRed code.

The Planning Commission does not recommend the inclusion of an exception from FAR in the Downtown Subarea at this time. The Downtown Livability initiative is currently before Planning Commission for review, and calibration of the amenity incentive system is an important component of that work. The Planning Commission believes that an affordable housing exception and incentive for Downtown is best reviewed holistically

with the rest of the Downtown amenities. There is no opportunity to be lost by including this work in the Downtown Livability initiative that is currently underway, and the BelRed component of the LUCA is being moved forward for Council action to take advantage of the opportunity that is currently presented by the Aegis project.

A copy of the recommended LUCA is included in Attachment 1 to this transmittal.

## **PUBLIC NOTICE AND COMMENT**

Notice of the public hearing and application for environmental review under the State Environmental Policy Act (SEPA) together with the SEPA checklist were published in the City's Weekly Permit Bulletin on April 7, 2016. Notice of the SEPA threshold determination was published on April 21, 2016 in the Weekly Permit Bulletin. As of the writing of this staff report, no public comments on the proposal have been received.

The Planning Commission held a public hearing and study session on the Council-directed code amendment on April 27, 2016. At the hearing, three members of the public spoke to the LUCA proposal. The themes from the public testimony received at the hearing were as follows:

1. Creation of housing is the goal, but the collection of an in-lieu fee is only the first step in the realization of that goal. The City needs to take steps to ensure that affordable housing is constructed in Bellevue.

Study Session Discussion: The Planning Commission agreed with this comment and is recommending in this Transmittal Memorandum that the City Council forward to the Technical Advisory Group for the Affordable Housing Strategy a request to explore available techniques and recommend strategies for Bellevue to pursue opportunities that create affordable housing, for seniors, in Bellevue, that include an assisted living care component.

2. Increases in FAR can impact transportation systems.

Study Session Discussion: Transportation impacts of assisted living facilities are anticipated to have negligible impacts on the transportation infrastructure, because individuals in these facilities do not drive.

3. Assisted living uses available in Bellevue are not sufficient to meet anticipated demand.

Study Session Discussion: Demand for the assisted living, congregate care and nursing home uses was identified as a pressing need.

4. The narrowly scoped fee-in-lieu proposal before the Planning Commission for consideration is not the proper forum to study or propose implementation strategies

necessary to meet demand for assisted living uses that are affordable to seniors when their household income is less than 80 percent of the median annual income for the Seattle Metropolitan Area.

Study Session Discussion: The Planning Commission remains committed to promoting a variety of housing opportunities to meet the needs of all members of the community, to provide incentives to encourage affordable housing, and to provide reasonable accommodation for housing people with special needs in all areas of the City, consistent with the Comprehensive Plan Housing Vision, Goals and applicable Policies. As stated elsewhere in this Transmittal, the Planning Commission is recommending that the City Council forward to the Technical Advisory Group for the Affordable Housing Strategy a request to explore available techniques and recommend strategies for Bellevue to pursue opportunities that create affordable housing, for seniors, in Bellevue, that include an assisted living care component.

5. The FAR increase proposed in response to the Aegis request should be limited to the Bel-Red subarea, and consideration of the applicability of this amendment to Downtown should be considered as part of the Downtown Livability Initiative.

Study Session Discussion: The narrowly scoped fee-in-lieu proposal to advance the FAR exception and take advantage of the affordable housing funding opportunity presented by the Aegis proposal is important. An approach to incorporating an affordable housing bonus into the Downtown should be considered holistically as part of the Downtown Livability Initiative. There is no opportunity to be lost by including this work in the Downtown Livability initiative that is currently underway, and the BelRed component of the LUCA is being moved forward for Council action to take advantage of the opportunity that is currently presented by the Aegis project.

Pursuant to the Washington State Growth Management Act, state agencies must be given 60 days to review and comment on proposed amendments to the Land Use Code. A copy of the proposed amendment was provided to the state agencies with a request to expedite their review so that the City Council could take final action as soon as the Planning Commission completed its recommendation. Notice that that City of Bellevue had met its Growth Management Act-mandated notice to state agency requirements in RCW 36.70A.106 was received for this recommended amendment on May 4, 2016.

#### **STATE ENVIRONMENTAL POLICY ACT (SEPA)**

The application for SEPA review was noticed together with the draft LUCA and the notice of the public hearing that is scheduled for April 27, 2016. The environmental review indicates no probability of significant adverse environmental impacts occurring as a result of the programmatic proposal to amend the Land Use Code to allow a floor area increase for assisted living uses through the provision of affordable housing. The City codes and requirements, applicable to projects that could take advantage of this code amendment, including SEPA, the Land Use Code, Noise Ordinance, Building Code and other construction codes will adequately mitigate expected environmental

impacts. Therefore, issuance of a Determination of Non-significance (DNS) is the appropriate threshold determination under the State Environmental Policy Act.

The following is a summary of the environmental review for this proposal:

A. Environmental Record

The environmental summary consists of analysis based on the following documents and studies in the environmental record or, if noted, incorporated by reference.

- Environmental Checklist, Supplemental Sheet for Nonproject Actions, prepared by Trish Byers, Code Development Manager, City of Bellevue Development Services Department, dated April 7, 2016.
- Draft Land Use Code Amendment; File No. 16-126684-AD.

B. Proposed Timing and Phasing

The Planning Commission is scheduled to hold a public hearing on the amendment on April 27, 2016. Following the public hearing, the Planning Commission will formation a recommendation that they will transmit to the City Council. The City Council will ultimately be asked to act on the Planning Commission recommendation on the draft LUCA during a future City Council meeting.

C. Environmental Summary

**Purpose and Need:**

Aegis Living has requested an increase in density in the BR-MO District for assisted living that also contributes to affordable housing. The rationale for the amendment was to facilitate assisted living to meet the needs of a growing older population, as well as the public benefit in promoting affordable housing. With a growing older population, Bellevue will face an increasing need for assisted living housing. The Council has already recognized the need for more affordable housing opportunities, and initiated work on an Affordable Housing Action Plan.

The Aegis proposal represents an opportunity for an “early win” in advancing the affordable housing strategy. However, the opportunity is bigger than the BR-MO District where the request was targeted. As a result, the Aegis concept of promoting a density bonus for assisted living, combined with on-site or fee-in-lieu affordable housing, would be enabled by the LUCA in districts city-wide that set density by FAR (currently Downtown and BelRed).

**Major Conclusions, Significant Areas of Controversy and Uncertainty:**

The major conclusions are that the proposal will likely result in the generation of fees to support the off-site construction of affordable housing when developers seek to increase floor area available for their proposed assisted living, congregate care and nursing home uses. Uncertainty exists as to whether the LUCA will support the creation of on-site assisted living, congregate care and nursing home uses that are affordable to

households with an income of less than 80% of the median annual income for King County. There are no known significant areas of controversy.

### **Issues to be Resolved, Including Environmental Choices to Made Between Alternatives Courses of Action**

Adoption of the proposed Land Use Code Amendment will permit assisted living developers to exceed the applicable base FAR by up to 1.0 additional FAR, subject to provisions of a fee-in-lieu for affordable housing. Any proposed assisted living development project that proposes to use the FAR exception will continue to be subject to Design Review pursuant to the City of Bellevue's Process II permit review procedure, and will require conformance with all applicable design guidelines and development standards.

The alternative course of action would be to not adopt the proposed Land Use Code Amendment. If the Land Use Code Amendment is not adopted, the contemplated fee-in-lieu would be not be created. Known in-lieu-fee contributions proposed to be generated by the Aegis Living proposal would be lost, and future fees would be foreclosed. At the standard BelRed residential rate of \$18/sf were applied to exempt 1.0 FAR on the 35,000 square foot Aegis Living property, this would generate about \$0.6M.

## **VI. REVIEW PROCESS AND APPLICATION OF DECISION CRITERIA**

A LUCA is reviewed through Process IV per LUC 20.35.400 - .450. Following review of the draft LUCA, the Planning Commission directed staff to schedule a public hearing for April 27, 2016. Following the public hearing on April 27, the Planning Commission held a study session and began to formulate the content of its recommendation on this LUCA. The Planning Commission finalized its recommendation at a subsequent meeting to the public hearing, based on specific decision criteria set forth in Land Use Code section 20.30J.135.

LUC 20.30J.135 establishes the decision criteria for an application to amend the text of the Land Use Code. Those criteria, and the relationship of the proposal to them, are discussed below:

### **A. The amendment is consistent with the Comprehensive Plan; and**

The Comprehensive Plan General Elements as well as the Bel-Red Subarea Plan contain policies applicable to this LUCA proposal. The most relevant policies are listed below:

- **Comprehensive Plan Housing Vision.** *Bellevue meets the housing needs of its diverse population, strengthening neighborhoods and communities.*

- **Comprehensive Plan Housing Goal.** *To maintain the vitality and stability of single family, multifamily and mixed used neighborhoods, and promoting a variety of housing opportunities to meet the needs of all members of the community.*
- **Policies HO-7 and HO-23.** *Encourage the development of affordable housing through incentives and other tools consistent with state-enabling legislation.*
- **Policy HO-11.** *Encourage housing opportunities in mixed residential/commercial settings throughout the City.*
- **Policy HO-12.** *Provide incentives to encourage residential development for a range of household types and income levels in multifamily and mixed use commercial zones.*
- **Policy HO-34.** *Provide reasonable accommodation for housing people with special needs in all areas, and avoid concentrations of such housing, while protecting residential neighborhoods from adverse impacts.*

**Finding:** The LUCA encourages the development of affordable housing by excepting floor area devoted to assisted living, nursing home or congregate care uses through the provisions of affordable housing. The LUCA provides implementation flexibility by allowing use of the FAR exception when a component of affordability is provided on-site subject to the terms of a Council-approved development agreement, or by payment of a fee-in-lieu to support affordable housing off-site.

B. The amendment enhances the public health, safety or welfare; and

**Finding:** By linking the affordable housing incentive to the creation of assisted living, the LUCA may also encourage developers to accommodate affordability into assisted living projects which will support a range of household types and income levels that are currently underserved by affordable housing options.

C. The amendment is not contrary to the best interest of the citizens and property owners of the City of Bellevue.

**Finding:** The LUCA allows the FAR exception only in those land use districts where assisted living, congregate care and nursing home uses are currently allowed. As a result, residential neighborhoods will be protected from an increase in development intensity of a type and scale that is not already contemplated by the underlying zoning.

## CONCLUSION

Upon consideration of the analysis presented in this Transmittal, consideration of public testimony, and review of the record, the Planning Commission recommends APPROVAL of the Land Use Code Amendment by a vote of     to     to expand the floor area exception to assisted living uses in the Bel-Red Subarea when affordable housing is provided. The recommended LUCA is contained in Attachment 1 to this transmittal.

The Planning Commission also requests that the City Council forward to the Technical Advisory Group for the Affordable Housing Strategy a request to explore available techniques and recommend strategies for Bellevue to pursue opportunities to create affordable housing, for seniors, in Bellevue, that include an assisted living care component.

## **ATTACHMENTS**

1. Recommended LUCA to expand the floor area exception to assisted living uses in the Bel-Red Subarea when affordable housing is provided

DRAFT



May 11, 2016

**SUBJECT**

Downtown Livability Initiative – Preliminary Direction on Height and Form Recommendations; Code Flexibility and Opportunities for Departure; and Proposed Structure and Approach for Updated Incentive Zoning System

**STAFF CONTACT**

Emil A. King AICP, Strategic Planning Manager 452-7223 [eaking@bellevuewa.gov](mailto:eaking@bellevuewa.gov)  
*Planning and Community Development*

**DIRECTION NEEDED FROM PLANNING COMMISSION**

- Action
- Discussion
- Information

**DISCUSSION**

**Recommendations from the Citizen Advisory Committee**

The Planning Commission is working through the Downtown Livability Citizen Advisory Committee's (CAC) recommendations for a targeted set of Land Use Code topics including public open space, landscaping, walkability and the Pedestrian Corridor, design guidelines, incentive zoning, and building height and form. Direction for the CAC's recommendations drew heavily from a set of Land Use Code audits and focus groups that analyzed what was working regarding each topic, what wasn't working, and areas for improvement. The current Commission work on updating the Downtown Land Use Code through the Livability Initiative is part of a broader agenda to make Downtown more people-friendly, vibrant and memorable, and add to the amenities that make for a great city center.

**Focus of Study Session**

The Planning Commission's May 11 Study Session will focus on the following three topics:

1. Continued discussion of Preliminary Height and Form Recommendations
2. Departures and Code Flexibility
3. Proposed Structure and Approach for Updated Incentive Zoning System

**Continued Discussion of Preliminary Height and Form Recommendations**

The building height and form recommendations from the CAC directed further consideration of allowable building heights and/or density in specific geographic areas within Downtown.

Building height and density are sensitive subjects, and the CAC acknowledged that more work was needed by staff and the Commission to flesh out anticipated outcomes, including benefits and impacts of any changes. The CAC's work on height and form found the following relationships with livability:

- Opportunity for more light and air between buildings by allowing additional height
- Opportunity for more ground-level open space
- Ability to promote variability in building heights
- Ability to reinforce district identity
- Potential for additional height or FAR to add “lift” to incentive system
- Opportunity to create a more distinctive skyline
- Encourage more interesting and memorable architecture
- Potential to add density around light rail transit investment

The CAC used the following principles to help guide their work on any potential changes to height and form. The CAC felt it was essential for the Commission and staff to consider the same principles below, while review and refinement of the recommendations occurs:

- The additional height or density would result in a better urban design outcome than current zoning.
- Continue to distinguish the special market niche played by Downtown.
- Help deliver additional amenities that enhance the livability and character of Downtown.
- Address any impacts that may result from the additional height or density (e.g. via design guidelines to address public views, shadows, tower spacing, and others).
- Continue to provide for appropriate transitions between Downtown and adjoining residential neighborhoods, while promoting better and more complementary linkages.

Tonight's study session will continue the Commission's discussion to formulate their *preliminary recommendations* for building height and form. The Commission has previously discussed this topic at their January 13, February 10, March 9, and April 13 meetings. On April 13, the Commission formulated *preliminary recommendations* for Downtown-wide height and form provisions relating to tower spacing, façade articulation, podium height, tripartite, connected floor plates and wind/shade/shadow provisions, and specific recommendations for the Downtown Mixed-Use District and “Deep B” portion on the Mixed-Use District (see April 13 minutes included in this Commission packet). On May 11, the Commission will continue discussion of:

- Civic Center Portion of Downtown Mixed-Use District
- Downtown Perimeter “A” Overlay (north, west, and south edges of Downtown)
- Downtown Mixed-Use District Perimeter “A” & “B” Overlays in East Main Area (112th Avenue NE to 110th Avenue NE)
- Downtown O-1 District (area bounded by Bellevue Way, NE 8th Street, 110th Avenue NE, and NE 4th Street)

- Downtown O-2 District (north of NE 8th Street, south of NE 4th Street, and east of 110th Avenue NE)
- Downtown OLB District (area between 112th Ave NE and I-405, from NE 4th to NE 8th Street) – See note below regarding area between Main Street and NE 4th Street.

Because Council will be further discussing a previously-raised Mount Rainier view corridor issue, the Commission’s discussion and formation of preliminary recommendations for the DT-OLB District between Main Street and NE 4th Street will be scheduled for a future Commission study session, after Council follow up. Staff anticipates returning to Council in the June timeframe to further discuss the view corridor.

**Included in Attachment A are staff’s building height and form recommendations for the remaining geographic areas. In forming these recommendations, staff drew from direction in the Downtown Livability CAC’s Final Report and direction from the Commission for areas of additional analysis. Staff also closely followed the CAC principles for any potential changes to height and form and to make sure that changes had a close relationship to furthering livability in Downtown Bellevue. Please note the Commission has also been receiving some height and form comments/requests (see attached April 13 minutes for example) that fall outside of the CAC recommendations, but may be addressed by the Commission as it sees fit.**

The Commission’s *preliminary recommendations* are not final and will be part of a formal Planning Commission public hearing on the complete Draft Land Use Code Amendment package in the fall (targeted for October 12, 2016). An open house is tentatively planned for September 21 to allow for interaction with the Commission and staff prior to the hearing on the Code packet. The Commission will ultimately form a recommended Code and design guideline package to transmit to Council for final action.

### **Departures and Code Flexibility**

While the Code must contain numerous standards that provide clarity and predictability about what is required, staff has thought hard about where departures may be appropriate to provide the potential for other ways to achieve equal or better results. This built-in flexibility is an approach that many Downtown stakeholders have requested. It is also consistent with the overall Council Principles for the Downtown Livability project, specifically:

*Council Principle #10. Refine the Code to provide a good balance between predictability and flexibility, in the continuing effort to attract new development that is economically feasible and enhances value for all users.*

Presented in Attachment B are several topical areas of the Code where staff anticipates including specific opportunities for departures from numerical or other Code standards. Specific Code language for these will be part of the overall Downtown Land Use recommended package. There may also be additional opportunities for departures identified as the Code package comes together.

**Tonight staff is seeking general Commission concurrence that this is headed in the right direction. If so, additional details will be forthcoming in the proposed package of Code amendments.**

**Proposed Structure for Updated Incentive Zoning System**

On May 11, the Commission will review a proposed structure and approach for updating the Amenity Incentive System (see Attachment C). The Downtown Livability CAC concluded in their Final Report that the system should be updated to focus on factors that will make Downtown more livable, and that the update should ensure that the system is feasible and acts as a real incentive (See Attachment D for excerpt from Final CAC Report).

To help develop a common understanding and align the update with Council input, a joint Council-Planning Commission workshop occurred on November 9, 2015. This resulted in a set of Council Principles to guide the update (see Attachment E). The staff-proposed approach to updating the incentive system is grounded both in the CAC findings and the guidance provided by the Council Principles. **The Commission is being asked on May 11 to provide input on the structure for updating the incentive zoning system.** The City Council has also requested a briefing on the proposed Downtown incentive zoning structure, and this is anticipated to occur in June. Once there is clear direction on the structure of the updated system, economic modeling would be performed to identify the market value of the incentives and how they translate into increments of bonus FAR and height.

**NEXT STEPS**

The Planning Commission will continue its work on the remaining code topics per the proposed Council/Commission schedule below. It is a Council priority to complete the work on Downtown Livability in 2016.

**Commission and Council Downtown Livability Milestones for Remainder of 2016**

City Council Milestones		Planning Commission Milestones	
		<b>May 11, 2016</b>	<i>Commission Review: Complete Height and Form Preliminary Recs.; Code Flexibility and Departures; and Incentive Zoning Structure</i>
<b>June 2016</b>	<i>Continued Council discussion of Public View Corridor of Mount Rainier Council check-in on Incentive Zoning</i>	<b>June 8</b>	<i>Commission Review: Code Standards and Design Guidelines</i>
<b>Early August 2016</b>	<i>Council check-in on Incentive Zoning Economic Modeling</i>	<b>July 27</b>	<i>Commission Review: Incentive Zoning Calibration; Subarea Plan</i>

<b>City Council Milestones</b>	<b>Planning Commission Milestones</b>
	<b>Sept. 14 &amp; 21</b> <i>Commission Review: Consolidated Code Packet and SEPA documentation; Open House</i>
	<b>Oct. 12 &amp; 19</b> <i>Target for Public Hearing, Commission Deliberations</i>
	<b>Nov. 9 &amp; 16</b> <i>Finalize Commission Recommendations on Land Use Code Amendments</i>
<b>December 2016</b> <i>Target for Commission transmittal of Code Recommendations to City Council</i>	

**ATTACHMENTS**

- A. District-Specific Height and Form Recommendations (continued from April 13, 2016 Commission meeting)
- B. Departures and Code Flexibility
- C. Proposed Structure of Updated Incentive Zoning System
- D. CAC Recommendations for Incentive Zoning System – Chapter 2 of Final Report
- E. Council Principles for Incentive Zoning

## Downtown Livability Height and Form Recommendations (May 11, 2016)

### Downtown Mixed-Use District (Civic Center portion)

Previously reviewed by Commission on February 10 and April 13, 2016

See location map on following page.

#### CURRENT CODE:

- **Floor Area Ratio (FAR):** 5.0 FAR residential / 3.0 FAR nonresidential / NA parking structure
- **Height:** 250 feet residential / 200 feet nonresidential / 60 feet parking structure
- **Lot Coverage:** 100% residential/nonresidential / 60% parking structure

#### District Specific Provisions

##### Floor Area Ratio

###### Direction from CAC:

- Consider up to 6.0 FAR residential / nonresidential.
- Take advantage of freeway access and proximity to light rail.
- Planning Commission to identify appropriate mitigation to address tower design and separation, permeability from the freeway, connectivity with Wilburton, effect on pedestrian level and localized transportation impacts.

###### Staff Analysis and Recommendations:

- Support CAC direction, recommend 6.0 FAR for residential / nonresidential.

##### Building Heights

###### Direction from CAC:

- Consider up to 350 feet residential/nonresidential.
- No change to parking structures.
- Use appropriate mitigation to address tower design, separation, permeability from freeway and connectivity with Wilburton, transition issues, the effect of added height at pedestrian level and at larger scale, and localized transportation impacts.
- Building off the 15%/15 feet<sup>1</sup> rule, allow departure for increased building height if it is needed to accommodate mechanical equipment and/or interesting roof form.

###### Staff Analysis and Recommendations:

- Supports CAC direction, recommend 350 feet for residential / nonresidential with the provision that any building exceeding current code maximum (250 feet residential and 200 feet nonresidential) is subject to additional tower spacing, diminishing floor plate, and special open space requirements.
- Develop accommodations for protection of public view corridors of mountains as necessary.
- Incorporate Grand Connection vision into future Code amendments.
- Current code allows 15 feet additional height for mechanical equipment which can take up between 25% and 50% of the roof area for elevator overrun, cooling towers, etc. Staff recommendation is to allow a new departure for up to 25 feet for high-rise buildings relying on LUC criteria for Mechanical Equipment Screening and Location
- See "Downtown-wide" recommendations for more detail on tower design, transition, and pedestrian scale.
- Departures allowed.

##### Floor Plates

###### Direction from CAC:

- Consider opportunities to expand floorplate allowances where topography drops away towards I-405

###### Staff Analysis and Recommendations:

- Supports CAC direction.
- Use current Code opportunity to average floor plates above podium/base as long as light, air, permeability from the freeway and effect on pedestrians is mitigated.<sup>2</sup>

<sup>1</sup> 15%/15 feet rule = Height may be increased by 15% or 15 feet, whichever is greater, if the additional height provides architecturally integrated mechanical equipment, interesting roof form, significant floor plate modulation, façade modulation, or other unique architectural features. Not applicable in "A" overlay and limited to 10% (9 feet) in "B" overlay.

<sup>2</sup> Currently floors above 40 feet, gross square feet per floor may be averaged unless an applicant takes advantage of the diminishing floor plates alternative. The diminishing floor plate provision is being proposed to be removed. Minimum tower spacing provisions result in reduced floor plates.



## Downtown Livability Height and Form Recommendations (May 11, 2016)

# Downtown Perimeter “A” Overlay

*Previously reviewed by Commission on March 9 and April 13, 2016*

See location map on following page.

### CURRENT CODE:

- **Floor Area Ratio (FAR):** 3.5 FAR residential / 0.5 FAR nonresidential / NA parking structures
- **Height:** 55 feet residential / 40 feet nonresidential / 40 feet parking structures
- **Lot Coverage:** 75% except 100% in Old Bellevue
- **Setback:** 20-foot buffer back of sidewalk and where Downtown boundary abuts non-Downtown property

### District Specific Provisions

#### Floor Area Ratio

##### Direction from CAC:

- No change.

##### Staff Analysis and Recommendation:

- Supports CAC direction.

#### Building Heights

##### Direction from CAC:

- Consider up to 70 feet for residential. No change to nonresidential or parking structures.
- 15-foot increase could result in better urban design outcomes for wood frame over concrete/steel construction
- More functional floor to ceiling heights.
- Planning Commission to address transition issues with surrounding neighborhood; guidelines to orient buildings to address view blockage, prevent shading of residences, attractive streetscapes comfortable pedestrian access into Downtown.
- Additional amenities that support the neighborhoods such as open space.

##### Staff Analysis and Recommendation:

- Supports CAC direction for no change to nonresidential or parking structures.
- Maintain 55-foot height limit for residential where Downtown is directly across from single family zoned property.
- Supports up to 70 feet for residential where Downtown Boundary is directly across from or abuts multi-family or commercial property with the provision that any building exceeding the current maximum height (55 feet) is subject to current requirement for upper level setback above 40 feet and special open space requirements.
- Address any impacts that may result from additional height (e.g. via design guidelines).
- Maintain 15-foot maximum height limit for mechanical equipment to minimize impact on surrounding properties. Rely on LUC Mechanical Equipment Screening and Location for design guidance.
- See “Downtown-wide” recommendations for more detail on tower design, transition, and pedestrian scale.

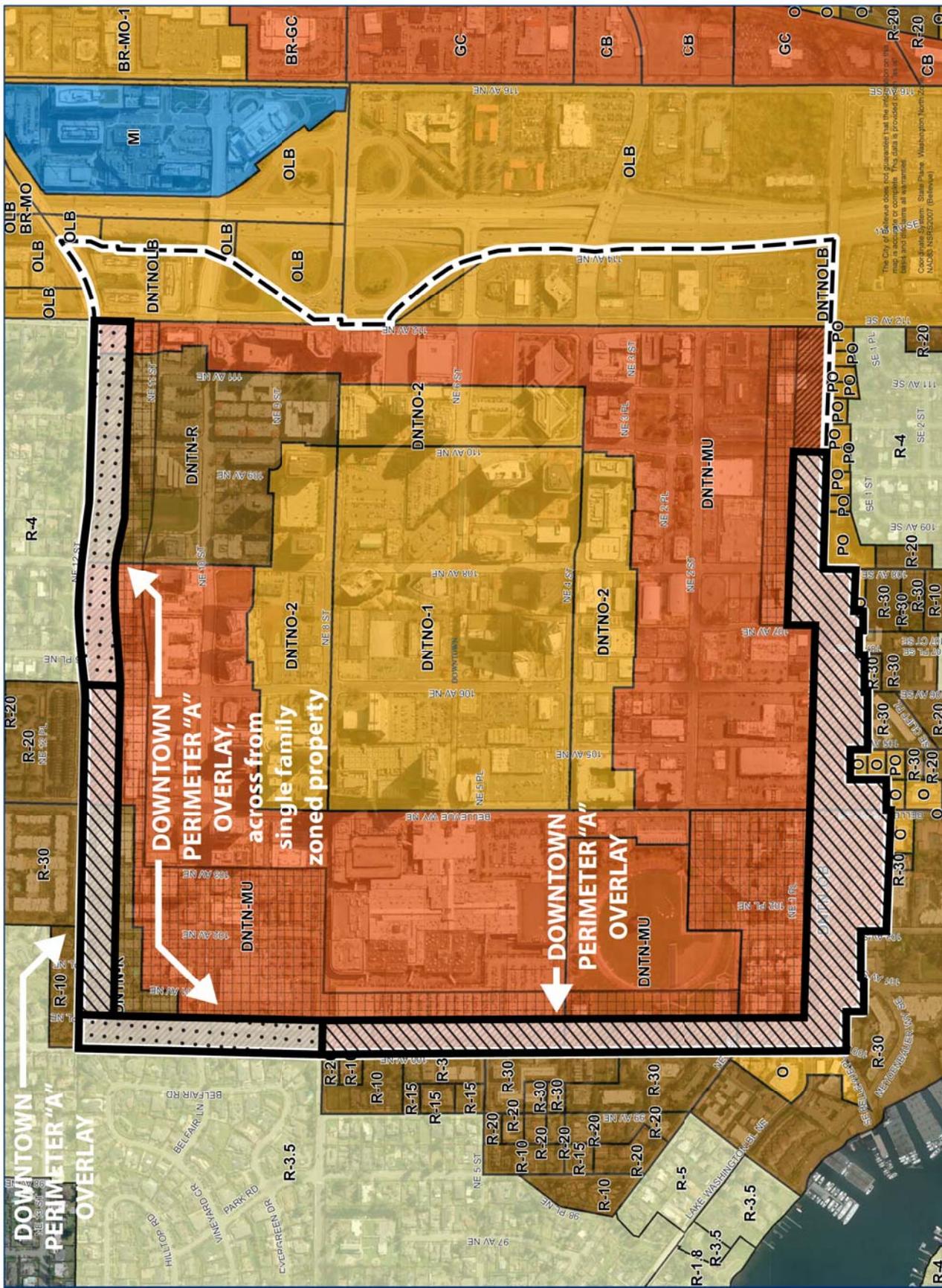
#### Setbacks / Stepbacks

##### Direction from CAC:

- Not addressed

##### Staff Analysis and Recommendation:

- Allow flexibility for landscape and site improvements within required 20-foot linear buffer back of sidewalk to promote neighborhood character, and ground floor residential entries via design guidelines.





**City of Bellevue**  
GIS Services

## Downtown Height and Form Review

### DOWNTOWN PERIMETER "A" OVERLAY

For additional detail please visit [www.bellevuewa.gov/maps.htm](http://www.bellevuewa.gov/maps.htm)

Legend	
	Downtown
	Single Family
	Multi-Family
	Office
	Commercial
	Light Industrial
	Evergreen Highlands
	Medical Institution







0 300 600  
Feet

Sources:  
City of Bellevue

Date: 4/22/2016 File Name: V:\pdp\pdp\gis\ArcGIS\Requests\Planning\2016\2016\_0422\_DowntownZoning\Downtown Zoning.mxd

## Downtown Livability Height and Form Recommendations (May 11, 2016)

# Downtown Mixed-Use “A” & “B” Overlay, 112th Ave NE to 110th Ave NE (close proximity to East Main Light Rail Station)

*Previously reviewed by Commission on March 9 and April 13, 2016*

See location map on following page.

### CURRENT CODE:

- **Floor Area Ratio (FAR):** 3.5 FAR “A” residential, 5.0 FAR “B” residential, 1.0 FAR “A” nonresidential, 1.5 FAR “B” nonresidential, NA/ parking structures
- **Height:** 55 feet “A” residential, 90 feet “B” residential 45 feet “A” residential, 65 feet “B” nonresidential, 40 feet parking structures
- **Lot coverage:** 75% all
- **Setback:** 20-foot buffer back of sidewalk north side of Main Street

District Specific Provisions
<b>Floor Area Ratio</b>
<b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• No change</li></ul>
<b>Staff Analysis and Recommendation:</b> <ul style="list-style-type: none"><li>• Recommends increase to 5.0 in “A” to take advantage of freeway access and proximity to light rail.</li><li>• Maintain 5.0 FAR in “B”.</li><li>• Allow transfer of FAR within project limits to provide for better urban design outcome, gateway feature and special open space requires special approval if result is better than status quo (i.e. Development Agreement or Master Development Plan).</li></ul>
<b>Building Heights</b>
<b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• Consider up to 70 feet residential in “A”. No change to nonresidential or parking structures. No change to “B”.</li><li>• 15-foot increase could result in better urban design outcomes for wood frame over concrete/steel construction.</li><li>• More functional floor to ceiling heights.</li><li>• Use appropriate mitigation to address tower design, separation, and transition issues and the effect of added height at pedestrian level and at larger scale.</li><li>• Building off the 15%/15 feet<sup>3</sup> rule, allow departure for increased building height if it is needed to accommodate mechanical equipment and/or interesting roof form.</li></ul>
<b>Staff Analysis and Recommendation:</b> <ul style="list-style-type: none"><li>• Supports CAC direction for no change to nonresidential or parking structures.</li><li>• Supports up to 70 feet in “A” for residential where Downtown Boundary is directly across from or abuts multi-family or commercial property with the provision that any building exceeding the current maximum height (55 feet) is subject to current requirement for upper level stepback above 40 feet and special open space requirements.</li><li>• Recommends 200 feet in “B” with provision that any building exceeding the current maximum height (90 feet) is subject to additional tower spacing, diminishing floor plates, and special open space requirements.</li><li>• In “A” - Maintain 15-foot maximum height limit for mechanical equipment to minimize impact on surrounding properties. Rely on LUC Mechanical Equipment Screening and Location for design guidance.</li><li>• In “B” - Current code allows 15 feet additional height for mechanical equipment which can take up between 25% and 50% of the roof area for elevator overrun, cooling towers, etc. Staff recommendation is to allow a new departure for up to 25 feet for high-rise buildings relying on LUC criteria for Mechanical Equipment Screening and Location.</li><li>• Apply 15%/15 feet rule in “B” only.</li></ul>

<sup>3</sup> 15%/15 feet rule = Height may be increased by 15% or 15 feet, whichever is greater, if the additional height provides architecturally integrated mechanical equipment, interesting roof form, significant floor plate modulation, façade modulation, or other unique architectural features. Not applicable in “A” overlay and limited to 10% (9 feet) in “B” overlay.

## Downtown Livability Height and Form Recommendations (May 11, 2016)

- Current code allows 15 feet additional height for mechanical equipment which can take up between 25% and 50% of the roof area for elevator overrun, cooling towers, etc. Staff recommendation is to allow a new departure for up to 25 feet for high-rise buildings relying on LUC criteria for Mechanical Equipment Screening and Location.
- Maintain 15 feet maximum height limit for mechanical equipment in “A” to minimize impact on surrounding properties. Rely on LUC Mechanical Equipment Screening and Location for design guidance.
- Aligns with East Main CAC recommendation that increased FAR and height are appropriate for Transit Oriented Development within the quarter-mile walkshed of the East Main Light Rail Station.
- See “Downtown-wide” recommendations for more detail on tower design, spacing, transition, and pedestrian scale.

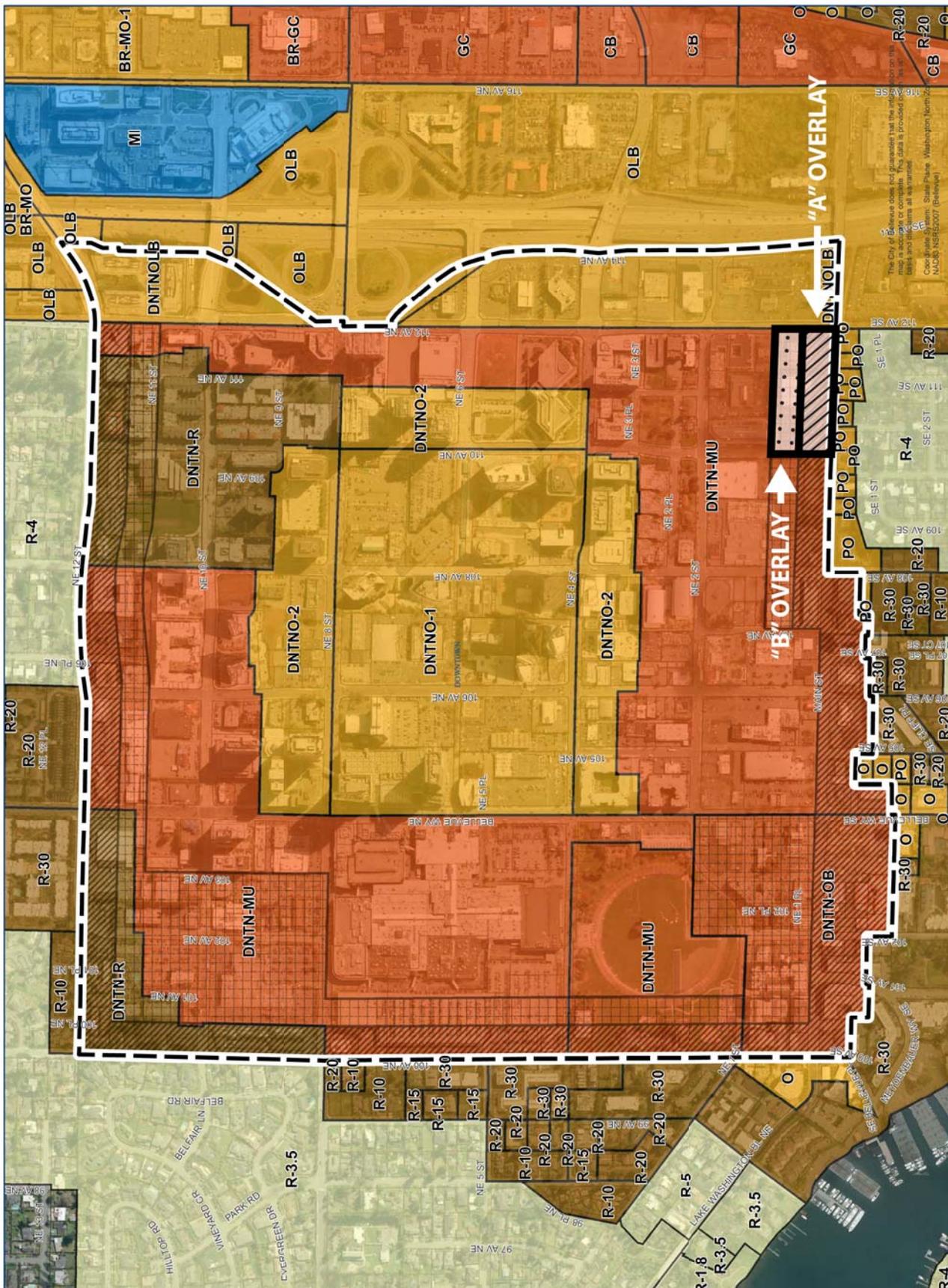
### Setbacks / Stepbacks

#### Direction from CAC:

- Not addressed

#### Staff Analysis and Recommendation:

- Allow flexibility for landscape and site improvements within required 20-foot linear buffer back of sidewalk to promote neighborhood character, and ground floor residential entries or gateway entry to Downtown and to promote Main Street as a segment of the Lake to Lake Greenway and a Shopping Street (Comprehensive Plan).
- Accommodates Building Sidewalk ROW Designs Guidelines.





**City of Bellevue**  
GIS Services

## Downtown Height and Form Review

**DOWNTOWN MIXED-USE "A" & "B" OVERLAY, 112th Ave NE to 110th Ave NE**

For additional detail please visit [www.bellevuewa.gov/maps.htm](http://www.bellevuewa.gov/maps.htm)

**Legend**

- Downtown
- Single Family
- Multi-Family
- Office
- Commercial
- Light Industrial
- Evergreen Highlands
- Medical Institution







0 600 Feet

Source: City of Bellevue

Date: 4/22/2016 File Name: V:\pdp\pdp\gis\ArcGIS\Requests\Planning\2016\2016\_0422\_DowntownZoning\Planning\2016\2016\_0422\_DowntownZoning\2016\2016\_0422\_DowntownZoning\2016\2016\_0422\_DowntownZoning.mxd

## Downtown Livability Height and Form Recommendations (May 11, 2016)

### Downtown O-1 District

*Previously reviewed by Commission on March 9 and April 13, 2016*

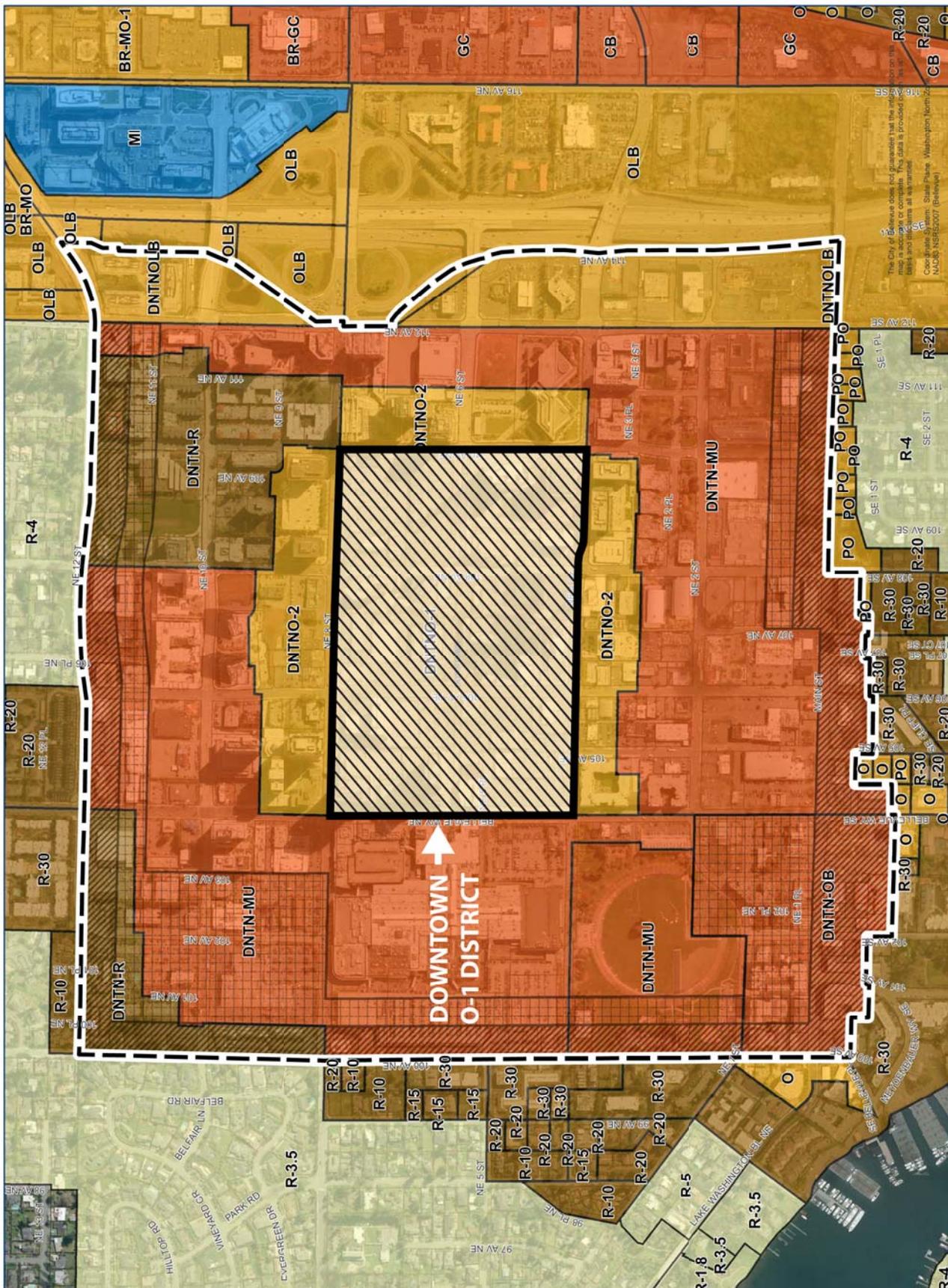
See location map on following page.

#### CURRENT CODE:

- **Floor Area Ratio (FAR):** Unlimited FAR residential / 8.0 FAR nonresidential / NA parking structures
- **Height:** 450 feet residential/nonresidential / 100 feet parking structures
- **Lot coverage:** 100% all

District Specific Provisions
<b>Floor Area Ratio</b> <b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• No change</li></ul> <b>Staff Analysis and Recommendation:</b> <ul style="list-style-type: none"><li>• Supports CAC direction to maintain nonresidential FAR max at 8.0.</li><li>• Maintain “unlimited FAR” for residential buildings that do not exceed current max height (450 feet).</li><li>• Cap FAR at 10.0 for residential buildings that exceed current maximum height (450 feet). This reflects an achievable FAR within current max floor plate and max building height limits and ensures slender towers with separation for additional light and air between buildings.</li></ul>
<b>Building Heights</b> <b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• Consider up to 600 feet residential/nonresidential. No change to parking structures.</li><li>• Planning Commission to identify appropriate mitigation to address tower design, separation, and transition issues, and the effect of added height at pedestrian level and at larger scale as well as any localized transportation impacts.</li><li>• Building off the 15%/15 feet<sup>4</sup> rule, allow departure for increased building height if it is needed to accommodate mechanical equipment and/or interesting roof form.</li></ul> <b>Staff Analysis and Recommendation:</b> <ul style="list-style-type: none"><li>• Supports CAC direction, recommends buildings up to 600 feet in height, with the provision that any building exceeding the current maximum height (450 feet) is subject to additional tower spacing, diminishing floor plates, and special open space requirements.</li><li>• Maintain current code requirement that all building elements must fit within maximum height allowed.</li><li>• See “Downtown-wide” recommendations for more detail on tower design, spacing, transition, and pedestrian scale.</li></ul>

<sup>4</sup> 15%/15 feet rule = Height may be increased by 15% or 15 feet, whichever is greater, if the additional height provides architecturally integrated mechanical equipment, interesting roof form, significant floor plate modulation, façade modulation, or other unique architectural features. Not applicable in “A” overlay and limited to 10% (9 feet) in “B” overlay.



# Downtown Height and Form Review

## DOWNTOWN O-1 DISTRICT

For additional detail please visit [www.bellevuewa.gov/maps.htm](http://www.bellevuewa.gov/maps.htm)

Legend	
	Downtown
	Single Family
	Multi-Family
	Office
	Commercial
	Light Industrial
	Evergreen Highlands
	Medical Institution



## Downtown Livability Height and Form Recommendations (May 11, 2016)

### Downtown O-2 District, north of NE 8th Street

*Previously reviewed by Commission on March 9 and April 13, 2016*

See location map on following page.

#### CURRENT CODE:

- **Floor Area Ratio (FAR):** 6.0 FAR residential & nonresidential / NA parking structures
- **Height:** 250 feet residential & nonresidential / 100 feet parking structures
- **Lot coverage:** 100% all

District Specific Provisions
<b>Floor Area Ratio</b>
<b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• 6.0 residential/ nonresidential</li><li>• PC to identify appropriate mitigation to address tower design and separation, permeability from the freeway, connectivity with Wilburton, effect on pedestrian level and localized transportation impacts.</li></ul>
<b>Staff Analysis and Recommendation:</b> <ul style="list-style-type: none"><li>• Supports CAC direction.</li></ul>
<b>Building Heights</b>
<b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• Consider up to 300 feet residential/nonresidential. No change to parking structures.</li><li>• Use appropriate mitigation to address tower design, separation, transition issues, the effect of added height at pedestrian level and at larger scale, and localized transportation impacts.</li><li>• Building off the 15%/15 feet<sup>5</sup> rule, allow departure for increased building height: if it is needed to accommodate mechanical equipment and/or interesting roof form.</li></ul>
<b>Staff Analysis and Recommendation:</b> <ul style="list-style-type: none"><li>• Supports CAC direction for use of 15%/15 feet rule and no change to parking structures.</li><li>• Allow up to 400 feet with the provision that any building exceeding the current max height (250 feet) is subject to additional tower spacing, diminishing floor plates, and special open space requirements.</li><li>• Current code allows 15 feet additional height for mechanical equipment which can take up between 25% and 50% of the roof area for elevator overrun, cooling towers, etc. Staff recommendation is to allow a new departure for up to 25 feet for high-rise buildings relying on LUC criteria for Mechanical Equipment Screening and Location.</li><li>• Consider permeability from the north.</li><li>• See "Downtown-wide" recommendations for more detail on tower design, spacing, transition, and pedestrian scale.</li></ul>

<sup>5</sup> 15%/15 feet rule = Height may be increased by 15% or 15 feet, whichever is greater, if the additional height provides architecturally integrated mechanical equipment, interesting roof form, significant floor plate modulation, façade modulation, or other unique architectural features. Not applicable in "A" overlay and limited to 10% (9 feet) in "B" overlay.



## Downtown Livability Height and Form Recommendations (May 11, 2016)

### Downtown O-2 District, south of NE 4th Street & east of 110th Ave

Previously reviewed by Commission on March 9 and April 13, 2016

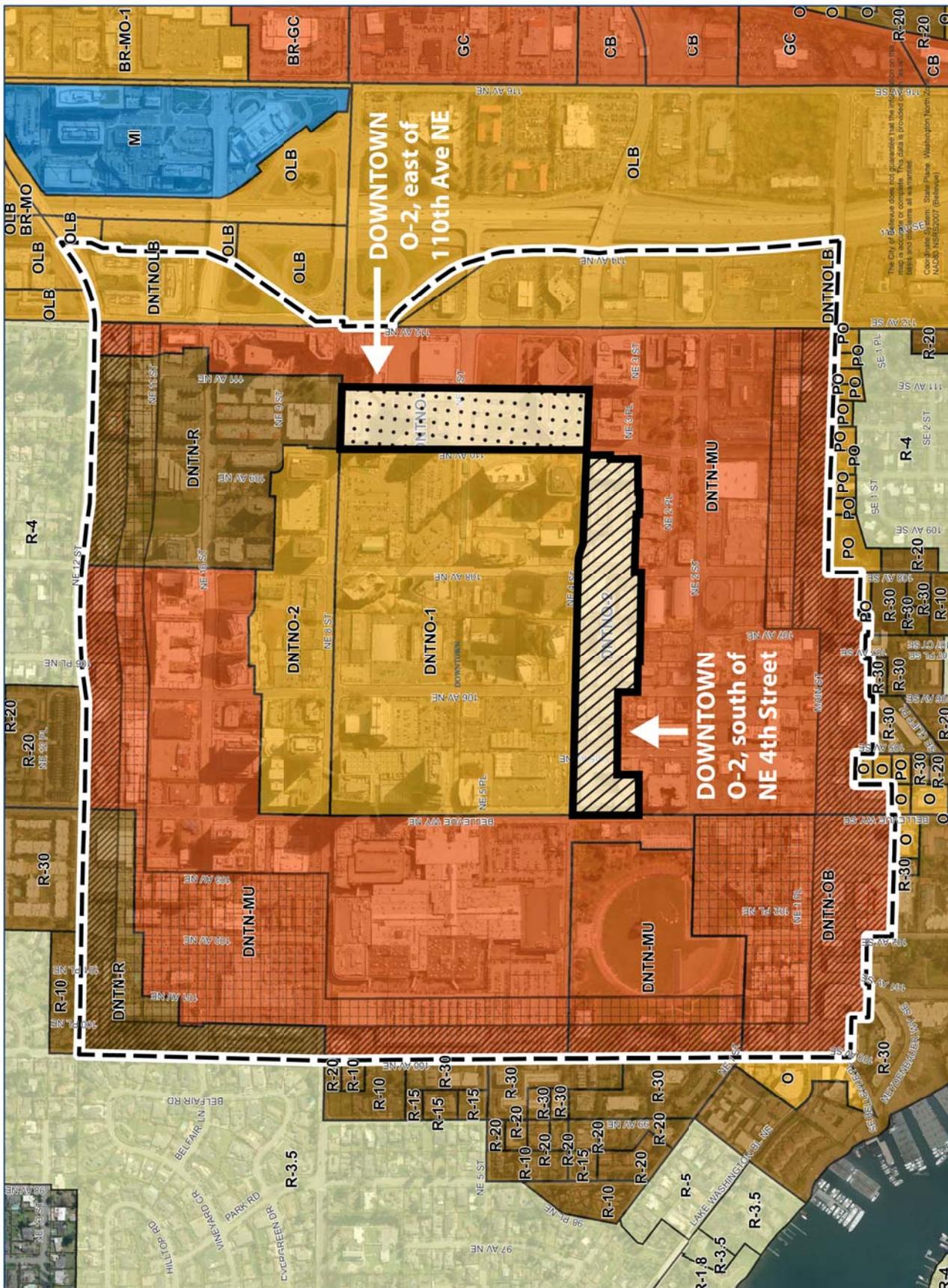
See location map on following page.

#### CURRENT CODE:

- **Floor Area Ratio (FAR):** 6.0 FAR residential & nonresidential / NA parking structures
- **Height:** 250 feet residential & nonresidential south of NE 4th Street / 350 feet for residential & nonresidential east of 110th Ave NE / 100 feet parking structures
- **Lot coverage:** 100% all

District Specific Provisions
<b>Floor Area Ratio</b>
<b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• No change</li></ul>
<b>Staff Analysis and Recommendations:</b> <ul style="list-style-type: none"><li>• Supports CAC direction.</li></ul>
<b>Building Heights</b>
<b>Direction from CAC:</b> <ul style="list-style-type: none"><li>• South of NE 4th - Consider up to 300 feet residential / nonresidential.</li><li>• East of 110th – Not addressed but intent was to maintain current height of 350 feet and continue this height east for OLB between NE 4th and NE 8th for residential / nonresidential.</li><li>• No change to parking structures.</li><li>• Use appropriate mitigation to address tower design, separation, permeability from freeway and connectivity with Wilburton, transition issues, the effect of added height at pedestrian level and at larger scale, and localized transportation impacts.</li><li>• Address any impacts that may result from additional height (e.g. via design guidelines to address public view tower spacing, and others).</li><li>• Building off the 15%/15 feet<sup>6</sup> rule, allow departure for increased building height if it is needed to accommodate mechanical equipment and/or interesting roof form.</li></ul>
<b>Staff Analysis and Recommendations:</b> <ul style="list-style-type: none"><li>• South of 4th - Supports CAC direction with the provision that any building exceeding current code max (250 feet) is subject to additional tower spacing, diminishing floor plates, and special open space requirements.</li><li>• East of 110th – Supports CAC recommendation of maintaining current max height of 350 feet east of 110th. This area is part of the Civic Center neighborhood and is developed as City Hall and will be included a portion of the NE 6th Light Rail Station.</li><li>• Current code allows 15 feet additional height for mechanical equipment which can take up between 25% and 50% of the roof area for elevator overrun, cooling towers, etc. Staff recommendation is to allow a new departure for up to 25 feet for high-rise buildings relying on LUC criteria for Mechanical Equipment Screening and Location.</li><li>• See “Downtown-wide” recommendations for more detail on tower design, spacing, transition, and pedestrian scale.</li></ul>

<sup>6</sup> 15%/15 feet rule = Height may be increased by 15% or 15 feet, whichever is greater, if the additional height provides architecturally integrated mechanical equipment, interesting roof form, significant floor plate modulation, façade modulation, or other unique architectural features. Not applicable in “A” overlay and limited to 10% (9 feet) in “B” overlay.



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# Downtown Height and Form Review

**DOWNTOWN O-2 DISTRICT, south of NE 4th Street & east of 110th Ave NE**

For additional detail please visit [www.bellevuewa.gov/maps.htm](http://www.bellevuewa.gov/maps.htm)

Legend	
	Downtown
	Single Family
	Multi-Family
	Office
	Commercial
	Light Industrial
	Evergreen Highlands
	Medical Institution



## Downtown Livability Height and Form Recommendations (May 11, 2016)

### Downtown OLB District, NE 4th to NE 8th Street

Previously reviewed by Commission on March 9 and April 13, 2016

See location map on following page.

#### CURRENT CODE:

- **Floor Area Ratio (FAR):** 3.0 FAR residential & nonresidential / NA parking
- **Height:** 90 feet residential / 75 feet nonresidential / 45 feet parking
- **Setbacks:** 20 feet all sides
- **Lot coverage:** 75% residential / 60% nonresidential / 75% parking

#### District Specific Provisions

##### Floor Area Ratio

###### Direction from CAC:

- Consider up to 6.0 residential / nonresidential
- Take advantage of freeway access and proximity to light rail
- PC to identify appropriate mitigation to address tower design and separation, permeability from the freeway, connectivity with Wilburton, effect on pedestrian level and localized transportation impacts

###### Staff Analysis and Recommendation:

- Supports CAC direction.

##### Building Heights

###### Direction from CAC:

- Consider up to 350 feet residential / nonresidential.
- No change to parking.
- Use appropriate mitigation to address tower design, separation, and transition issues and the effect of added height at pedestrian level and at larger scale.
- Building off the 15%/15 feet<sup>7</sup> rule, allow departure for increased building height if it is needed to accommodate mechanical equipment and/or interesting roof form.

###### Staff Analysis and Recommendation:

- Supports CAC direction with the provision that any building exceeding current code maximum (90 feet residential and 75 feet nonresidential) is subject to additional tower spacing, diminishing floor plate, and special open space requirements.
- Current code allows 15 feet additional height for mechanical equipment which can take up between 25% and 50% of the roof area for elevator overrun, cooling towers, etc. Staff recommendation is to allow a new departure for up to 25 feet for high-rise buildings relying on LUC criteria for Mechanical Equipment Screening and Location.
- Develop accommodations for protection of public view corridors of mountains as necessary
- Incorporate Grand Connection vision into future Code amendments.

##### Floor Plates

###### Direction from CAC:

- Consider opportunities to expand floorplate allowances where topography drops away towards I-405

###### Staff Analysis and Recommendation:

- Supports CAC direction
- Allow 30,000 square foot floor plates between 40 feet and 80 feet for permeability from I-405 and public views above 80 feet.

<sup>7</sup> 15%/15 feet rule = Height may be increased by 15% or 15 feet, whichever is greater, if the additional height provides architecturally integrated mechanical equipment, interesting roof form, significant floor plate modulation, façade modulation, or other unique architectural features. Not applicable in "A" overlay and limited to 10% (9 feet) in "B" overlay.

## Downtown Livability Height and Form Recommendations (May 11, 2016)

### Setbacks / Stepbacks

#### Direction from CAC:

- Not addressed

#### Staff Analysis and Recommendation:

- Eliminate 20-foot setback all sides to accommodate recommended density increase and accommodate Building Sidewalk Right-of-Way Designations Guidelines.
- Develop accommodations for protection of public view corridors of mountains as necessary.
- Incorporate Grand Connection vision into future Code amendments.

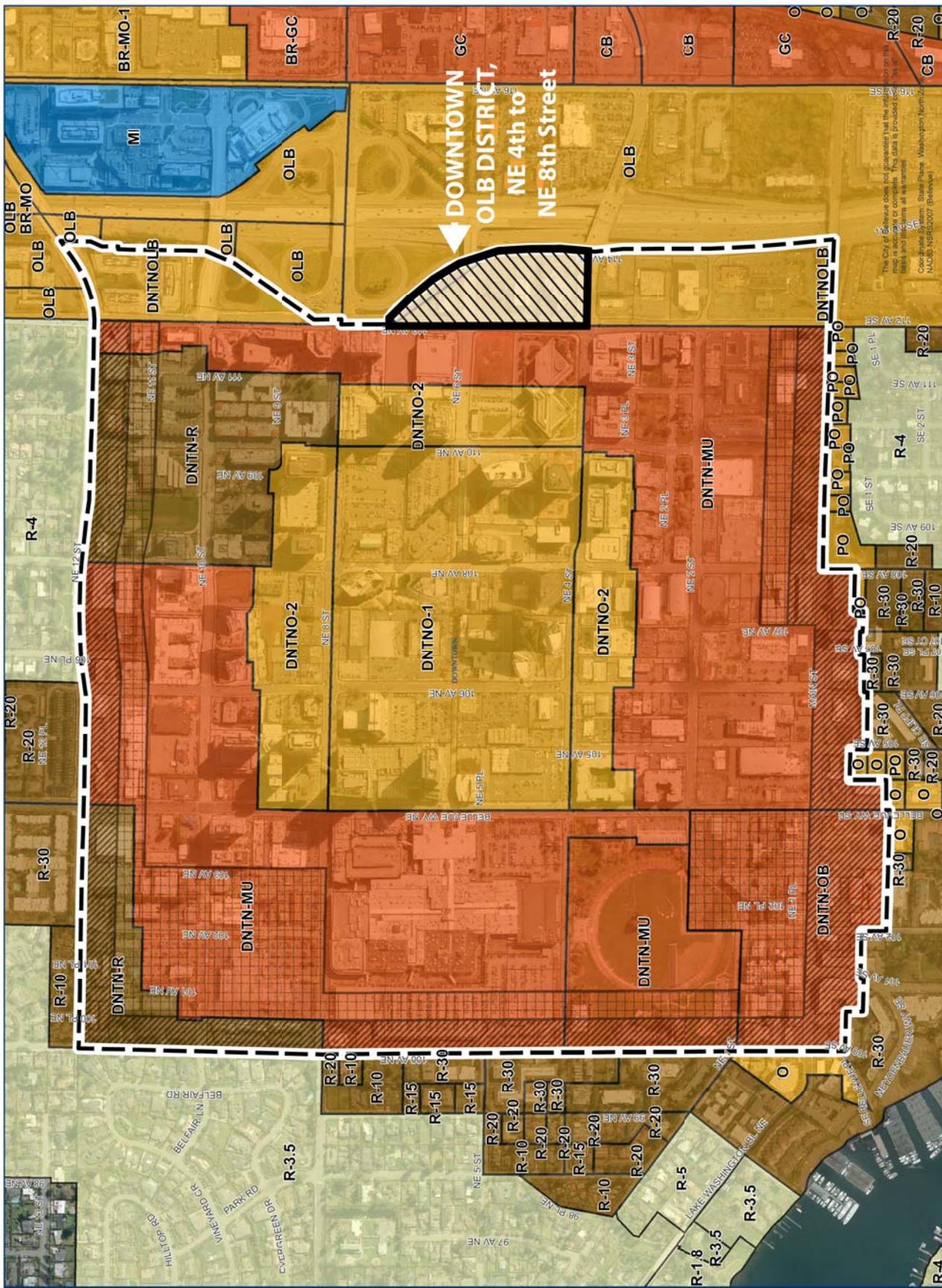
### Lot Coverage

#### Direction from CAC:

- Not addressed

#### Staff Analysis and Recommendations:

- Increase to 100% residential/nonresidential, 60% parking to align with "MU" across 112th Avenue NE and accommodate density increase and Building Sidewalk Right-of-Way Designation Guidelines.





**City of Bellevue**  
GIS Services

## Downtown Height and Form Review

**DOWNTOWN OLB DISTRICT, NE 4th to NE 8th Street**

For additional detail please visit:  
[www.bellevuewa.gov/maps/itfm](http://www.bellevuewa.gov/maps/itfm)

**Legend**

- Downtown
- Single Family
- Multi-Family
- Office
- Commercial
- Light Industrial
- Evergreen Highlands
- Medical Institution



000 Feet  
Source: City of Bellevue

Date: 4/22/2016  
File Name: V:\pdp\pdp\gis\ArcGIS\Requests\Planning\2016\2016\_0422\_DowntownZoning\Planning\2016\2016\_0422\_DowntownZoning\2016\2016\_0422\_DowntownZoning\2016\2016\_0422\_DowntownZoning.mxd

# Departures and Code Flexibility

Consistent with overall Downtown Livability Council Principle #10, the following are topical areas where staff anticipates including specific opportunities for departures from numerical and other Code standards.

*Downtown Livability Council Principle #10. Refine the Code to provide a good balance between predictability and flexibility, in the continuing effort to attract new development that is economically feasible and enhances value for all users.*

## DIMENSIONAL STANDARDS

- **Tower spacing:** requirement provides for light, air and privacy between towers; includes special provisions for small sites.  
Proposed departures/flexibility: closer spacing may be provided for fluid, slender, unique building forms. Additional departures available for small sites.
- **Tower orientation:** requirements work to maximize sun exposure and lessen shading and wind impacts on public spaces.  
Proposed departures/flexibility: departures available via sun/shadow/wind study to determine final orientation.
- **Linear buffer (Perimeter A):** long-standing requirement provides for building setback and open space at edge of Downtown, as part of the transition with adjoining neighborhoods.  
Proposed departures/flexibility: departure would support residential entries/stoops within this buffer area.
- **Mechanical equipment:** long-standing requirements limit height of mechanical equipment on rooftops.  
Proposed departures/flexibility: departures provide additional flexibility in height (up to 10 additional feet) to meet changing needs for mechanical equipment.
- **Connected floorplates:** requirements for buildings above 70 feet in height provide for façade articulation, to minimize “barracks-like” feel.  
Proposed departures/flexibility: departures may be allowed where building materials and modulation result in sense of distinct building elements.
- **Maximum façade length:** requirement avoids monotonous, unbroken walls.  
Proposed departures/flexibility: departures allowed for small sites where material and modulation accomplish the objective better than the standard.
- **Ground floor height:** requirements provide for adequate heights to differentiate and activate ground level of building.  
Proposed departures/flexibility: departures provide some flexibility where prescriptive height standard cannot be accommodated.

- **Maximum residential floorplate:** long-standing requirement addresses light, air, and building mass.  
Proposed departures/flexibility: departure allowed up to 10%. Otherwise use floorplate averaging for larger floors.

## CIRCULATION

- **Wayfinding:** requirements provide specifics of wayfinding/signage for public access and orientation.  
Proposed departures/flexibility: departures provide for alternatives if signage requirements are not feasible.
- **Bicycle Parking/Facilities:** requirements will provide standards for bicycle accommodation.  
Proposed departures/flexibility: departures to be provided depending on specific building type/use.
- **Street Frontage Standards:** requirements vary by street type and reinforce the quality of the pedestrian environment.  
Proposed departures/flexibility: departures may be allowed for features like the percentage of pedestrian- activated frontage and frequency of access/points of interest.
- **Weather protection:** requirements set percentage of weather protection to be provided on building frontages, varying by street type.  
Proposed departures/flexibility: departures allow minor modifications that provide an equivalent result.

## LANDSCAPING

- **Street Trees:** requirements control size and placement of street trees.  
Proposed departures/flexibility: departures allow for variations that result in same or more trees, as well as some sizing flexibility.
- **Tree pits and planters:** requirements dictate size.  
Proposed departures/flexibility: departures will allow for sizing flexibility.

# Proposed Structure for Downtown Incentive Zoning System

## EXECUTIVE SUMMARY

As noted in the Downtown Livability CAC's Final Report, the Amenity Incentive System has been a key tool for achieving the Downtown vision. The system allows for buildings to earn "bonus" intensity (FAR) and height in return for providing public amenities that mitigate building in a dense urban environment. However, over time the system no longer is grounded in current market economics and has not been modified to fit Downtown's evolving state. The CAC concluded that the system should be updated to focus on factors that will make Downtown more livable, and that the update should ensure that the system is feasible and acts as a real incentive.

To help focus the update and align with Council thinking, a joint workshop between the City Council and the Planning Commission took place in November 2015. This resulted in a set of Council Principles to guide the update. The staff-proposed approach to updating the incentive system is grounded both in the CAC findings and the guidance provided by the Council Principles. The update will be presented in two parts:

- Part 1, the focus of the current proposal, is the proposed structure of the new incentive system. This includes identifying what should be incentivized vs. required, the "stacking" of various bonus features, and factoring in elements such as an option for fee-in-lieu payments and periodic review of the system.
- Part 2 is market calibration of the proposed incentive system. Once there is clear direction on the structure of the updated system, economic modeling is performed to identify the market value of the incentives and how they translate into increments of bonus FAR and height. A calibration proposal is set to be presented in July, and will be guided by the direction on the structure of the new system.

Following are the key points proposed for the structure of the updated system. Each point is associated with the relevant Council Principles that provide guidance for the update. Further details about the complete system follow this Executive Summary.

The overall approach attempts to update, streamline, and focus the incentives on those most important to promoting Downtown livability. It differentiates incentives from basic Code requirements, and seeks to ensure that the resulting system acts as a real market incentive.

Proposed Approach to Downtown Incentive Zoning Structure	Relevant Incentive Zoning Council Principles
<p>1. Update and clarify what is a Code requirement vs. an incentive, adjusting the basic FAR accordingly.</p>	<p><i>Council Principle #4. Recognize that incentive zoning is one part of the broader Downtown land use code, and will work together with development standards, design guidelines and other code elements to collectively address impacts of development and ensure Downtown is a great place for people.</i></p> <p><i>Council Principle #5. Simplify and streamline the incentive system with a clear structure and desired outcomes. This includes narrowing the list of incentives by mandating appropriate elements, incentivizing what would not otherwise happen, and increasing the base FAR to account for any current incentive that is converted to a mandate.</i></p>
<p>2. Remove features that are no longer real incentives (structured parking, residential) and adjust the basic FAR accordingly.</p>	<p><i>Council Principle #5. Simplify and streamline the incentive system with a clear structure and desired outcomes. This includes narrowing the list of incentives by mandating appropriate elements, incentivizing what would not otherwise happen, and increasing the base FAR to account for any current incentive that is converted to a mandate.</i></p> <p><i>Council Principle #7. Design the amenity incentive system to act as a real incentive for developers, and ensure that modifications to the incentive system don't effectively result in a downzoning of land, in particular for current incentives converted to mandates.</i></p>
<p>3. Create additional lift/value for the incentive system by incorporating proposed increases in FAR/height into the system. This will create an additional value for public amenities.</p>	<p><i>Council Principle #8. Ensure that participation in the updated incentive system is required for any increases to currently permitted maximum density (FAR) and/or height.</i></p>
<p>4. Adjust the FAR exemption to include up to 1.0 exempt FAR for affordable housing, as a major incentive for achieving such.</p>	<p><i>Council Principle #1. Focus the system on making Downtown more livable for people. This should include incentivizing public open space, walkability/connectivity, affordable housing in recognition of the City's broader work on affordable housing, and other amenities that are most important to achieving Downtown livability.</i></p> <p><i>Council Principle #7. Design the amenity incentive system to act as a real incentive for developers, and ensure that modifications to the incentive system don't effectively result in a downzoning of land, in particular for current incentives converted to mandates.</i></p>

Proposed Approach to Downtown Incentive Zoning Structure	Relevant Incentive Zoning Council Principles
5. Focus remaining bonus FAR on key placemaking and public open space features, walkability, and cultural/community features.	<p><i>Council Principle #1. Focus the system on making Downtown more livable for people. This should include incentivizing public open space, walkability/connectivity, affordable housing in recognition of the City’s broader work on affordable housing, and other amenities that are most important to achieving Downtown livability.</i></p> <p><i>Council Principle #2. Be forward-looking and aspirational, reflecting the evolving needs of a 21st century city.</i></p>
6. Utilize the system to promote neighborhood identity, principally by tailoring the nature/type of bonus open space by neighborhood.	<p><i>Council Principle #3. Design the incentive system to help reinforce Downtown neighborhood identity.</i></p>
7. Allow for fee payments in lieu of on-site performance.	<p><i>Council Principle #10. Provide for a reasonable “fee-in-lieu” alternative to ensure that the amenity incentive system does not unduly hinder development or result in building designs that lack market viability.</i></p>
8. Provide a Development Agreement option as an “off-ramp” for the bonus system, where a development can show equal or greater value.	<p><i>Council Principle #11. Consider an “off-ramp” option, with an approval process, providing flexibility for incentivizing elements that were not identified in this update but add equal or greater value.</i></p>
9. Build in a regular CPI adjustment factor to ensure the system remains current with the market; also conduct periodic (5-7 year) reviews of the system.	<p><i>Council Principle #12. Include a mechanism for future periodic updates of the incentive system to address Downtown needs as they change.</i></p>
10. Promote green/sustainable building through other City mechanisms (e.g. remove barriers, provide technical assistance, marketing and recognition, etc.)	<p><i>Council Principle #2. Be forward-looking and aspirational, reflecting the evolving needs of a 21st century city.</i></p>

The above chart presents the conceptual approach to the proposed incentive zoning system update. Staff has attempted to embed the Council Principles in this proposal, as summarized above. Two Council Principles not included above have also been considered in the proposal and analysis of the proposed structure; they are critically important and apply to the entire system as opposed to a single point of the structure. *Council Principle #6 is to ensure the system is consistent with state and federal law, including requirements of nexus and rough proportionality. Council Principle #9 is to consider (and seek to avoid) potential unintended consequences of the update.*

Further details of the proposal follow in the body of this report.

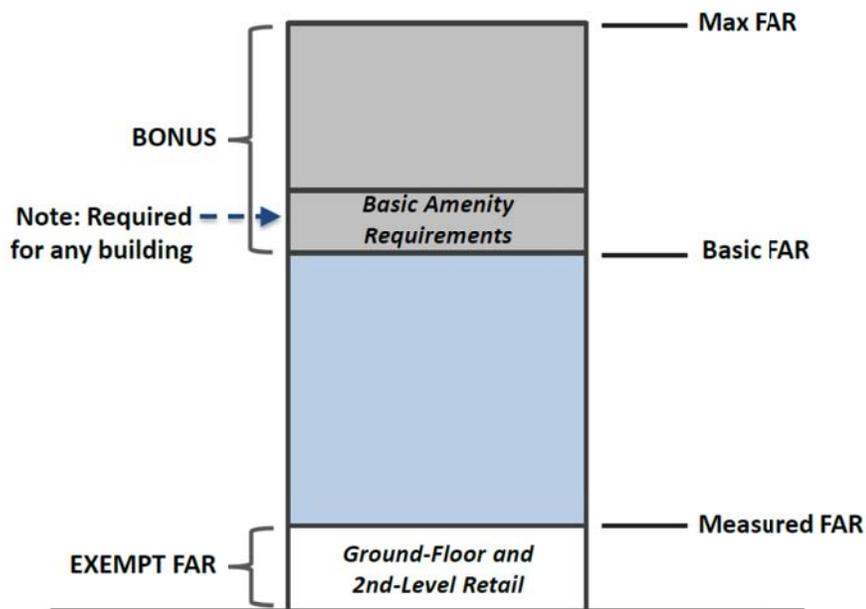
# PROPOSED INCENTIVE SYSTEM STRUCTURE

## Current Incentive Zoning System

As is shown in the graphic below, the current incentive zoning system is structured as follows:

- The current incentive system includes a *basic* FAR & height and *maximum* FAR & height that vary by Downtown zoning district, but all follow this general structure.
- A development project’s measured FAR provides exemption for ground-floor and 2nd-level retail space meeting specific Code requirements.
- Basic Amenity Requirements are mandatory and ensure that all Downtown development meets at least a minimum threshold. Qualifying basic amenities include: pedestrian-oriented frontage; landscape features; arcades; marquees; awnings; sculpture; water features; active recreation areas; retail food; child care services; plazas; and residential entry courtyards. These “basic” amenities also qualify for bonusable FAR.
- On top of the Basic Amenity Requirements, developments may select from the full list of 23 current amenities to reach maximum FAR and height.

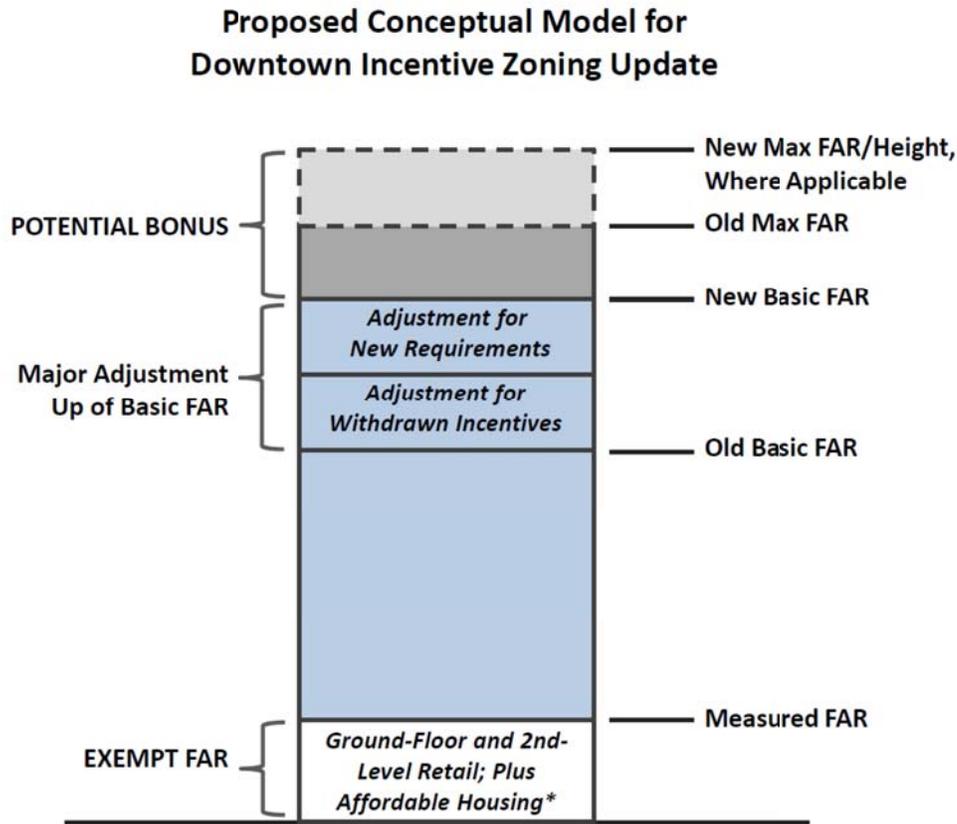
**Current Incentive Zoning System**



*\*Ground-Floor and 2nd-Level Retail only exempt under certain conditions.*

## Proposed Conceptual Model for Incentive System Update

The full proposal for the structure of the Downtown incentive zoning system is presented below. As noted in the Executive Summary, it was heavily guided by the Incentive Zoning Principles adopted by the City Council in January 2016. The graphic below depicts the proposed approach, described in detail in the following sections.



*\*Ground-Floor and 2nd-Level Retail only exempt under certain conditions. Up to 1.0 FAR exemption proposed for Affordable Housing meeting specific criteria.*

### 1. Update and Clarify Code Requirements vs. Incentives, Adjust Basic FAR Accordingly

Incentive zoning is one part of the broader land use code framework that guides development. That broader framework includes permitted uses, dimensional standards such as lot coverage and setbacks, development standards such as required parking ratios, and design guidelines that address the quality of development. Separate from the land use code are building code requirements that address building safety, such as structural integrity.

The Downtown Livability Code amendments include updates to development standards and guidelines, so the Code is more forward-looking and people oriented. The “early wins” adopted earlier this year included a shift for weather protection to be a requirement vs. an incentive. Another proposed shift is to create a “green factor” to mitigate some of the environmental impacts associated with dense urban development and add to the sense that Downtown Bellevue is part of Bellevue’s “city in a park” identity. Development would select from a menu of items, some of which are currently in the amenity system. These would include landscape features, green roofs, vegetated walls, enhanced tree canopy, food production, “green streets” concepts, bicycle parking, and electric vehicle charging stations. Note: calibration of this “green factor” will be conducted in Part 2 of this proposal (anticipated July 2016). The other proposed shift is to address pedestrian-oriented frontage as a requirement and remove it from the incentive system. Today it is both a requirement and an incentive on certain Downtown streets; it would be simpler to address it solely as a requirement on those streets where it is necessary for pedestrian activation.

**Table A. Existing and Proposed Features for Amenity Incentive System**

Existing Amenity System	Proposed Shift to Requirement w/ Basic FAR Adjusted Accordingly	Proposed New Amenity System Features	Proposed to be Withdrawn w/ Basic FAR Adjusted Accordingly
<b>Placemaking</b> Major Pedestrian Corridor  Pedestrian Oriented Frontage	X	Major Pedestrian Corridor/Grand Connection	
<b>Neighborhood Serving Uses</b> Public Meeting Rooms; Child Care Services; Retail Food; Space for Non-profit Social Services			X Note: No adjustment to basic FAR needed; Code audit showed 3 of 4 amenities never used and public meeting rooms used once.
<b>Parks and Open Space</b> Outdoor Plaza; Donation of Park Property; Residential Entry Courtyard; Active Recreation Area; Enclosed Plaza		Outdoor Plaza; Donation or Improvement of Park Property; Residential Entry Courtyard; Active Recreation Area; Enclosed Plaza; Add Pocket Parks; Farmers Markets; “alleys with addresses;” and “third places” as part of Neighborhood-Specific Publicly Usable Open Space	

Existing Amenity System	Proposed Shift to Requirement w/ Basic FAR Adjusted Accordingly	Proposed New Amenity System Features	Proposed to be Withdrawn w/ Basic FAR Adjusted Accordingly
Landscape Feature; Landscape Area	X Note: Landscape Feature; Landscape Area included as part of "green factor" menu. This menu also includes green space/open space, tree preservation and planting.		
<b>Parking</b> Underground Parking; Above-Grade Structured Parking			X
<b>Housing</b> Residential Uses			X
<b>Arts and Culture</b> Performing Arts Space; Sculpture; Water Feature		Performing Arts Space; Sculpture; Water Feature; Art Space; Historic Preservation and Cultural Resources	
<b>Walkability</b>		Free-standing canopies at street corners (non-building weather protection) Pedestrian bridges meeting specific location and design criteria	

Note: Several Items in the Downtown’s CAC List of Potential New Amenities are not included here. This is to avoid diluting the system, in light of Council guidance to streamline the system and narrow it to the items that are most important to achieving Downtown Livability. The proposed approach focuses on affordable housing, usable public open space, walkability/connectivity and cultural/community resources. Not included are: iconic buildings, increased setbacks, small lot architecture, sustainable buildings, signature streets, upper level plazas and activated rooftops (the latter two constituting private rather than public open spaces). Potentially some of these items, if they provide equal or greater public benefit, could be considered in the “off-ramp” Development Agreement option presented in the proposed framework.

**Relevant Incentive Zoning Council Principles**

*Principle #4. Recognize that incentive zoning is one part of the broader Downtown land use code, and will work together with development standards, design guidelines and other code elements to collectively address impacts of development and ensure Downtown is a great place for people.*

*Principle #5. Simplify and streamline the incentive system with a clear structure and desired outcomes. This includes narrowing the list of incentives by mandating appropriate elements, incentivizing what would not otherwise happen, and increasing the base FAR to account for any current incentive that is converted to a mandate.*

## 2. Remove Features that are No Longer Real Incentives and Adjust Basic FAR Accordingly

The purpose of updating the Amenity Incentive System is to promote those amenities most important to achieving livability and the desired future for Downtown. The current incentive zoning provisions in Downtown Bellevue are largely unchanged from the system adopted in 1981. At that time, incentives for new development to put in place underground parking, above-grade structured parking and residential units were important policy goals. Surface parking lots abounded in 1981, consuming scarce urban land and detracting from the pedestrian environment, and land prices at that time encouraged more of the same. In recent decades this has radically changed. Today's densities and land values virtually ensure that new parking is in structured garages as opposed to surface lots. Likewise, the Downtown Bellevue residential market has been entirely transformed in recent years, to the point that 12,000 people today call Downtown home. Indeed, a concern for the Downtown Livability update has been to "level the playing field" so that residential uses do not out-compete office uses for so many sites.

As was shown in the Land Use Code Audit, the amount of bonus earned through the parking and residential amenities has been the vast majority of all bonuses earned. Since the market is already strongly providing for these outcomes, the amenity system is no longer acting as a real incentive for private development to produce them. To keep them in the amenity incentive system is not consistent with Council direction to "incentivize what would otherwise not happen." To compensate for withdrawing these amenities, there will be an adjustment of the basic FAR accordingly.

### **Relevant Incentive Zoning Council Principles**

*Principle #5. Simplify and streamline the incentive system with a clear structure and desired outcomes. This includes narrowing the list of incentives by mandating appropriate elements, incentivizing what would not otherwise happen, and increasing the base FAR to account for any current incentive that is converted to a mandate.*

*Principle #7. Design the amenity incentive system to act as a real incentive for developers, and ensure that modifications to the incentive system don't effectively result in a downzoning of land, in particular for current incentives converted to mandates.*

## 3. Create Additional Lift/Value for the Incentive System by Incorporating Proposed Increases to FAR and Height

The Downtown Livability CAC provided a set of height and form recommendations that are currently being reviewed by the Planning Commission. A key tenet of this work is that any increases to maximum floor area ratio and/or building height are earned through the updated incentive system.

The Commission's current discussion has included a number of areas (such as the O-1 district) where potential additional height could be earned (without additional FAR) and areas where both additional FAR and height could be earned (such as the DT-OLB district). This creates added value that can be included in the amenity incentive system.

Bellevue’s Downtown Incentive System has historically used height and FAR in tandem. Since a number of districts are being recommended for just additional height, a mechanism will be established that focuses on this increment. When height is offered independent of FAR, the key issue is how different types of development marginally value the additional height, particularly as buildings move up code/construction type and/or cost breakpoints (i.e. wood to concrete/steel construction). This will be an important consideration in the economic calibration work that follows.

**Relevant Incentive Zoning Council Principle**

*Principle #8. Ensure that participation in the updated incentive system is required for any increases to currently permitted maximum density (FAR) and/or height.*

## 4. Adjust the FAR Exemption to Include Affordable Housing

One type of FAR incentive is to exempt certain items from the FAR count, as the Code currently does for ground-floor and second-level retail meeting certain design requirements. See LUC 20.25A.020.B.3.a: “Up to a maximum of 1.0 of the floor area in a project limit that is devoted to retail activities will not be counted for the purpose of calculating FAR in the proportions set forth in LUC 20.25A.115, so long as the retail activities are designed and located in compliance with...”

This proposal is to add up to 1.0 FAR of affordable housing to the list of FAR exemptions. In effect, this would be a strong incentive for affordable housing, and would free up the rest of the Amenity Incentive System for other desired amenities like public open space. There is some logic to exempting FAR for affordable housing, at least from the perspective of trip generation, in that closer-in affordable living options allow people to live closer to work, resulting in shorter trips with a higher share of walking, biking, and transit. For the most part, this opportunity is not available today for the sizable Downtown workforce employed in service and retail jobs.

**Relevant Incentive Zoning Council Principles**

*Principle #1. Focus the system on making Downtown more livable for people. This should include incentivizing public open space, walkability/connectivity, affordable housing in recognition of the City’s broader work on affordable housing, and other amenities that are most important to achieving Downtown livability.*

*Principle #7. Design the amenity incentive system to act as a real incentive for developers, and ensure that modifications to the incentive system don’t effectively result in a downzoning of land, in particular for current incentives converted to mandates.*

## 5. Focus Remaining Bonus FAR on Placemaking & Public Open Space Features, Walkability, and Cultural/Community Amenities

Once the basic FAR is adjusted upwards to account for amenities converted to requirements, as well as former amenities to be withdrawn from the list, there will be limited “lift” left in the system to support new amenities. It will be critical to focus that bonus lift on the features most important to achieving Downtown livability. This is a strong theme from both the Council Principles and the CAC report. If the

Amenity Incentive system tries to promote every conceivable desired outcome, it will be too diluted to accomplish anything meaningful.

The Council principles and CAC direction together provide the overall guidance for the proposed amenities list as shown below in Table B; this is in conjunction with the proposed FAR exemption for affordable housing (#4 above). As a whole, the system will promote the following as the most important items to achieve:

- Affordable housing
- Public open space
- Walkability/connectivity
- Cultural/community features

Affordable housing is strongly promoted through the FAR exemption. The bonusable FAR is then divided among the other key amenities. Since public open space is so important to livability, the proposal assigns 75% of the bonusable value to it and 25% of the remainder to the other features.

**Table B. Proposed Features for Updated Amenity Incentive System**

Amenity Category	Amenity Features	Focus
<b>Placemaking and Public Open Space Features</b>	<ul style="list-style-type: none"> <li>• Major Pedestrian Corridor/Grand Connection</li> <li>• Outdoor Plaza; Donation or Improvement of Park Property; Residential Entry Courtyard; Active Recreation Area; Enclosed Plaza; Add Pocket Parks; Farmers Markets; “alleys with addresses;” and “third places” as part of Neighborhood-Specific Publicly Usable Open Space</li> </ul>	<ul style="list-style-type: none"> <li>• Target 75% of a Project’s Earned Bonus</li> </ul>
<b>Walkability/Connectivity Features</b>	<ul style="list-style-type: none"> <li>• Free-standing canopies at street corners (non-building weather protection)</li> <li>• Pedestrian bridges meeting specific location and design criteria</li> </ul>	<ul style="list-style-type: none"> <li>• Target 25% of a Project’s Earned Bonus</li> </ul>
<b>Cultural/Community Features</b>	<ul style="list-style-type: none"> <li>• Performing Arts Space; Sculpture; Water Feature; Art Space; Historic Preservation and Cultural Resources</li> </ul>	

**Relevant Incentive Zoning Council Principles**

*Principle #1. Focus the system on making Downtown more livable for people. This should include incentivizing public open space, walkability/connectivity, affordable housing in recognition of the City’s broader work on affordable housing, and other amenities that are most important to achieving Downtown livability.*

*Principle #2. Be forward-looking and aspirational, reflecting the evolving needs of a 21st century city.*

## 6. Use the Incentive System to Promote Neighborhood Identity

The incentive system will be used to promote neighborhood identity within Downtown Bellevue, principally through tailoring the nature/type of bonus open space to each Downtown neighborhood. This is consistent with the Downtown CAC report, which included specific open space needs and expressions for each of the seven Downtown neighborhoods. For example, a new neighborhood park was identified as a strong need for the Northwest Village and East Main neighborhoods and not for others. Community gardens/pea patches were shown as desirable in most neighborhoods but not in the Downtown Core or Old Bellevue.

### Relevant Incentive Zoning Council Principles

*Principle #3. Design the incentive system to help reinforce Downtown neighborhood identity.*

## 7. Allow for Fee-in-Lieu Payments

The preference for the Downtown incentive system will be for on-site performance. This means that amenities are delivered on the same site as the development. The system will also include provisions for fee-in-lieu payments to allow flexibility to pay for producing the amenity off-site. The cost of the fee-in-lieu payment will be determined during the pricing and calibration phase.

### Relevant Incentive Zoning Council Principle

*Principle #10. Provide for a reasonable "fee-in-lieu" alternative to ensure that the amenity incentive system does not unduly hinder development or result in building designs that lack market viability.*

## 8. Provide Process "Off-Ramp" for Incentive System

The Downtown Livability CAC and City Council both provided direction to include a process for developers to suggest amenities that are not on the formal list. It is proposed that developers are able to suggest bonusable amenities through a City Development Agreement. The criteria for the departure would be that the amenity provides an equal or greater contribution to meeting the intent of the incentive system, and results in a significant public benefit or amenity that would not otherwise be provided absent the departure.

### Relevant Incentive Zoning Council Principle

*Principle #11. Consider an "off-ramp" option, with an approval process, providing flexibility for incentivizing elements that were not identified in this update but add equal or greater value.*

## 9. Market Adjustment and Periodic Review

A best practice is to incorporate a regular adjustment to the incentive price (proposed as annual CPI adjustment) to ensure the system remains current with the market. It is also recommended to incorporate a periodic review (every 5-7 years) to review and modify the incentive system as needed.

**Relevant Incentive Zoning Council Principle**

*Principle #12. Include a mechanism for future periodic updates of the incentive system to address Downtown needs as they change.*

## 10. Promote Green/Sustainable Building Through Other City Mechanisms

One of the items that is desired but not included in the simpler, more focused amenity list is green/sustainable building design and performance. While not included in the proposed bonus amenity system, staff looked for other ways to promote this desirable outcome. It is proposed that outside of the incentive system, the City will promote green building Downtown through a variety of other means, such as:

- Training and technical assistance by City staff and partners.
- Partnering with third parties for promoting and recognizing green buildings.
- Removing Code barriers for innovative and high performing buildings.
- Considering a Living Building pilot ordinance, which would allow departures from the building code for a certain number of pilot projects.

While not part of the amenity incentive system, it is hoped that these will be other means of encouraging green buildings that significantly out-perform the current standard product in Downtown. A number of jurisdictions also provide expedited permit review for green/sustainable certified buildings.

**Relevant Incentive Zoning Council Principle**

*Principle #2. Be forward-looking and aspirational, reflecting the evolving needs of a 21st century city.*

## NEXT STEPS

Once there is agreement on the overall structure of the incentive system, calibration (pricing) is the next step. This requires valuing both the cost of providing the amenity (or public benefit) and the value of the incentive (additional floor area and/or height) so that the bonus value exceeds the amenity value. This is a technical exercise that involves pro forma modeling of development. This work will be performed by the City's technical consultant (Berk) and is anticipated to be available in July 2016.

# Chapter 2 from Downtown Livability CAC Final Report

## AMENITY INCENTIVE SYSTEM

### Background

A key tool for achieving the Downtown vision has been the Amenity Incentive System, which provides for buildings to earn “bonus” intensity (increased floor area ratio (FAR)) and height in return for providing public amenities. The Downtown Subarea Plan, adopted in 2004, and consistent with the Plan in place since 1979, promotes this bonus system as a way to accomplish the public objectives set forth in the Plan. It directly calls out incentives for certain features, such as residential uses, development of themed streets, and reinforcing the unique characteristics of Downtown neighborhoods.

The current list of amenities eligible for bonus FAR and height is quite extensive. It includes 23 amenities, each with specific design criteria and a bonus rate used to calculate the amount of added floor area earned. When first adopted in the early 1980s, the bonus rates were based on the developer’s cost to deliver a given amenity, converted to the value of extra development rights (FAR) received. These rates have not been recalibrated for many years

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Floor area ratio is the ratio of the total square feet of a building to the total square feet of the property on which it is located.

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Several incentives have been identified as noteworthy:

- Development of the Major Pedestrian Corridor and its related Major Public Open Spaces receives a “super-bonus” of height in the Core Design District above what can be earned for any other amenity.

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How does the amenity incentive system relate to livability?

- » Opportunities for amenities to help reinforce Downtown neighborhood identity
  - » Potential to focus bonuses on the most important amenities
  - » Addition of new amenities that focus on livability and the future of Downtown
  - » Opportunities to encourage creative design
  - » Potential for added “lift” to incentive system through additional height and FAR
- 

- First and second levels of retail are highly incentivized by being “free” FAR; i.e. they are not counted against the FAR maximums and can allow a building to include significantly more floor area than the stated code maximums.
- “Basic Floor Area Requirements” ensure that all developments meet a minimum threshold of amenities, typically at the ground level and oriented to a public right of way. Qualifying basic amenities are a subset of the larger whole, and include pedestrian-oriented frontage, weather protection (arcades, marquees and awnings), some open space features and others.
- Pedestrian-oriented frontage is required in many cases, and is also eligible for incentive.

Changes to the Amenity Incentive System should consider such factors as:

- The amenities most important to achieving livability and desired future for Downtown.

- What features need to be incentivized versus what development will do without incentives.
- The economics of development, to ensure that the modified incentive system is feasible and acts as a real incentive.

## CAC Discussion

CAC discussion of the Amenity Incentive System focused on the following key points:

- Focus on the factors that would ultimately make Downtown more livable; should be tangible and give back to the community.
- Strong interest in how the incentive system and design guidelines can be used to help reinforce Downtown neighborhood identity (i.e. a district by district approach).
- Potentially modify some of the existing amenity definitions and more clearly direct where they happen within Downtown.
- Some amenities could potentially shift to be requirements (such as weather protection) rather than a bonused amenity.
- The structure of the bonus rates should clearly reflect the most desired amenities.
- A “superbonus” might apply to extraordinary or iconic design features; special design review would be needed.
- The incentive system should be efficient, predictable, not overly complex, and encourage creative design.
- The incentive system should be economically viable; it should act as a real incentive and not deter development. Changes to the current incentive system may necessitate an increase in base density/height.
- The system should be updated more frequently and have the ability to address

Downtown needs as they change; creative, new concepts may arise that make sense to bonus in some way.

- Fee-in-lieu collection through an amenity system should relate to the area where the project occurs.

## Recommendations

### Amenity Incentive System Strategy 1: Update amenities to be included in the Amenity Incentive System.

The CAC has identified the following overarching themes regarding amenities:

- Focus on amenities most important to achieving livability and desired future for Downtown.
- Consider what needs to be incentivized vs. what market will do without incentives.
- Provide flexibility to encourage creative design.
- Amenities should help reinforce Downtown neighborhood identity.
- Modified incentive system must be feasible and act as a real incentive.

In the table on the following page, the CAC identified current and potential additional amenities that should be considered for the Amenity Incentive System. The CAC has specific direction on a few items as follows:

- The current amenities list includes underground and above-ground parking as well as residential uses. CAC discussion focused on whether these are still uses that are considered an amenity that a development should get bonus area for or whether they are uses that will be provided regardless of incentives.
- The CAC discussed the potential inclusion of affordable housing as a new item to add to the amenity system. The CAC provided direction

→  
List of  
existing and  
potential new  
amenities

Existing Amenities	Potential New Amenities
<b>Public Gathering Spaces/Placemaking</b>	
Major Pedestrian Corridor	Signature Streets
Pedestrian Oriented Frontage	Third Places, gathering places
	Farmers Market Space
<b>Neighborhood-Serving Uses</b>	
Public Meeting Rooms	None
Child Care Services	
Retail Food	
Space for Non-profit Social Services	
<b>Parks/Green/Open Space</b>	
Outdoor Plaza	Upper Level Plaza
Landscape Feature	Green Space/Open Space
Landscape Area	Pocket Parks & Urban Courtyards
Donation of Park Property	Green Streets Concepts
Residential Entry Courtyard	Landmark Tree Preservation
Active Recreation Area	Significant Tree Planting
Enclosed Plaza	Activated Rooftops
<b>Parking</b>	
Underground Parking	None
Above Grade Parking	
Above Grade Parking in Residential Bldg	
<b>Housing</b>	
Residential Uses	Affordable Housing
<b>Arts and Culture</b>	
Performing Arts Space	Art Space
Sculpture	Historic Preservation and Cultural Resources
Water Feature	
<b>Design</b>	
None	Iconic Features (i.e. rooftop, tower, etc.)
	Increased Setbacks for Light/Air
	Small Lot Interesting Architecture
	Sustainable Features/Practices
	Freestanding Canopies at Corners
	Pedestrian Bridges

“Existing List” means from the current list of 23 bonusable amenities in the Land Use Code.  
 “New Idea” means a potential new amenity to be bonused through the incentive system.



↑ Through-block connections can be intimate and designed to protect residents' privacy.

for additional evaluation of affordable housing regarding the nature of bonus, relationship to what market is delivering, and how it might tie in with multifamily tax exemption program being considered by Council.

**Amenity Incentive System Strategy 2:  
Make weather protection a development requirement.**

Shift “weather protection” from the amenity system to be a development requirement, implemented in appropriate locations through the updated design guidelines.

**Amenity Incentive System Strategy 3:  
Consider neighborhood-specific weighting.**

Recognizing that a common theme is to reinforce and promote the unique identify of each neighborhood in Downtown, the CAC discussed the potential to weight incentives differently depending on where the development is located and the unique character and needs of each neighborhood.



↑ People enjoying the amenities of 106th Avenue NE, the entertainment street.

**Amenity Incentive System Strategy 4:  
Develop method to consider alternative amenities.**

The CAC was interested in having a method for developers to suggest amenities that were not on the formal list. There would be a process developed to review them and provide an appropriate bonus.

**Amenity Incentive System Strategy 5:  
Recalibrate economics of amenity incentive system.**

Conduct an economic analysis to consider how recommended changes to the amenity incentive system may affect development economics and ensure a good balance of public benefit and economic return. The economic analysis will include:

- Identification of the lift to the amenity system provided by any height and/or density increases.
- Evaluation if there is sufficient market demand in the near- and long-term to develop properties at various height and

density levels. The anticipated demand in excess of the base zoning will help inform the revisions to the incentive valuation.

- Analysis of how the base densities should be modified to take into account added development requirements or other changes to the current incentive system.
- Pro-forma analysis of development scenarios (office, residential, mixed-use) to determine project feasibility and ability to contribute to the incentive system.
- Develop incentive pricing and calibration (with fee-in-lieu provisions) based on the most desired amenities, cost to produce, and value derived from height and density increases.

### **Council Guidance for Updating Downtown Incentive Zoning Adopted by Council 1-19-16**

For many years incentive zoning has been part of Bellevue's strategy for implementing the Downtown Plan. Through the Amenity Incentive System, development is offered additional density (FAR) in exchange for providing certain public amenities. The Downtown Livability CAC report calls for a number of revisions to the system. The Council is providing the following direction to staff and the Planning Commission as they consider the CAC recommendations and move forward to develop the specific Land Use Code amendments to update the incentive zoning system.

1. Focus the system on making Downtown more livable for people. This should include incentivizing public open space, walkability/connectivity, affordable housing in recognition of the City's broader work on affordable housing, and other amenities that are most important to achieving Downtown livability.
2. Be forward-looking and aspirational, reflecting the evolving needs of a 21st century city.
3. Design the incentive system to help reinforce Downtown neighborhood identity.
4. Recognize that incentive zoning is one part of the broader Downtown land use code, and will work together with development standards, design guidelines and other code elements to collectively address impacts of development and ensure Downtown is a great place for people.
5. Simplify and streamline the incentive system with a clear structure and desired outcomes. This includes narrowing the list of incentives by mandating appropriate elements, incentivizing what would not otherwise happen, and increasing the base FAR to account for any current incentive that is converted to a mandate.
6. Ensure that the amenity incentive system is consistent with state and federal law. In particular, the process should be sensitive to the requirements of RCW 82.02.020, and to nexus and rough proportionality.
7. Design the amenity incentive system to act as a real incentive for developers, and ensure that modifications to the incentive system don't effectively result in a downzoning of land, in particular for current incentives converted to mandates.
8. Ensure that participation in the updated incentive system is required for any increases to currently permitted maximum density (FAR) and/or height.
9. Consider potential unintended consequences of the update, specifically: a) the effect of incentive zoning changes on the ability to continue to provide transit-oriented, workforce housing in Downtown, including the anticipated effect of the MFTE on producing such housing; b) the effect of incentive zoning changes on small lots, to ensure that their redevelopment remains viable and not contingent upon becoming part of an assemblage with other properties; and c) special sensitivity to Perimeter neighborhoods.

10. Provide for a reasonable “fee-in-lieu” alternative to ensure that the amenity incentive system does not unduly hinder development or result in building designs that lack market viability.
11. Consider an “off-ramp” option, with an approval process, providing flexibility for incentivizing elements that were not identified in this update but add equal or greater value.
12. Include a mechanism for future periodic updates of the incentive system to address Downtown needs as they change.

May 3, 2016

Dear Planning Commission Members:

I have previously expressed my belief that redevelopment at the NE corner of NE 6th Street and 112th Avenue NE can play a uniquely positive role in the evolution of this area of the Downtown. The pivotal location of this site creates the opportunity to connect and enliven the area, with unusually light transportation impacts.

I would like to raise a second important point: development of this site needs flexible regulations that account for the small size and triangular shape of the parcel. Benefits of increased height and FAR that will be attained on typical large, rectangular shaped parcels cannot be realized here due to these unique factors.

First, a brief review of why I am convinced redevelopment of this site has the potential to significantly improve the vitality and livability of the neighborhood:

- The NE 6th Street location abuts the Grand Connection Study Area, providing the opportunity to incorporate or link the Grand Connection into new development at this site.
- Redevelopment can facilitate a makeover of the NE 6<sup>th</sup> Street/112th Avenue NE intersection to create an inviting, pedestrian friendly crossing and sense of place.
- Proximity to the future light rail station and existing Downtown Transit Center enables urban scale development to leverage public investments in these transit facilities and mitigate traffic impacts.
- Immediate freeway access via NE 6th Street and NE 8<sup>th</sup> Street, combined with adjacent public transit centers, reduces traffic impacts.
- Through redevelopment of this site, Meydenbauer Center can be directly connected with a convention serving hotel via a skybridge across 112<sup>th</sup> Avenue NE, providing another option for pedestrian movements.
- The site can accommodate a mix of land uses that will bring residents, visitors and employees, activating the neighborhood throughout the day and into the evening.
- Mixed use redevelopment will complement the existing mix of uses in the neighborhood, including the Bravern.
- With its unique location, two towers can provide the density, iconic architecture and public plaza for a vibrant coordinated experience.
- Site development can provide connections with the regional bikeway that crosses the site on the west.

And second, let me explain what I mean by “flexibility”. I am not advocating for a change in the increased height and FAR standards recommended by the CAC and City Staff. I believe the recommended standards are appropriate for most sites. But for a site where, due to size and shape, it is not practical to achieve the scale of development that will be occur on typically sized and shaped Downtown parcels, additional development capacity should be awarded if doing so will further the public interest in Downtown livability. This should be done in the context of a specific development proposal—and only in exchange for clear public benefits that are legally assured through a recorded development agreement between the property owner and the City.

I am working with urban planning, architecture and land use law experts to formulate specific proposals that I will bring to city staff and to you in the coming weeks. I am looking forward to having a dialogue about these proposals. I believe creative approaches to building flexibility into the code are required to facilitate redevelopment of this part of our Downtown into an exciting and important urban neighborhood.

Sincerely,

A handwritten signature in black ink that reads "Alex Smith". The signature is written in a cursive, flowing style with a large initial "A" and "S".

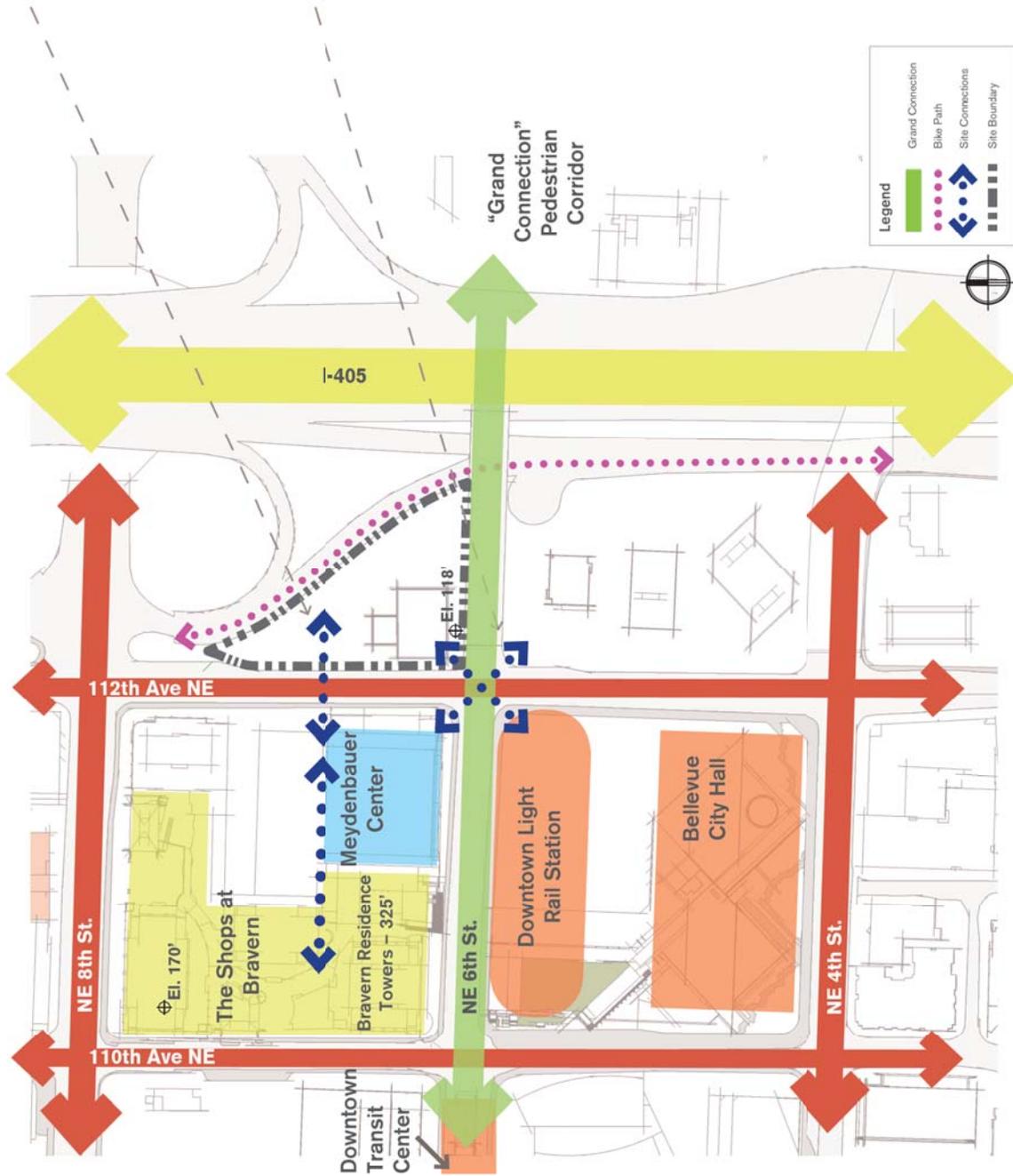
Alex Smith  
Member / Manager



Directly connect to Meydenbauer Center



Pedestrian intersection improvements – scramble intersection



## Design Principles

1. Mixed use development will activate the neighborhood throughout the day and evening
2. Higher densities will leverage public investments in light rail, buses and highways
3. Link directly to Meydenbauer Center with a convention serving hotel
4. Incorporate and/or link site into the Grand Connection
5. With its unique location, two towers can provide the density, iconic architecture and public plaza for a vibrant coordinated experience

## Neighborhood Context

MAY 4, 2016



## Site Characteristics

- Unique site with the relationship to Meydenbauer Center
- Restrictive parcel size and shape
- No adjacent residential neighborhoods
- Site is more than fifty (50) feet below 110th Ave. NE
- Massing model demonstrates building height and FAR in proportion to existing adjacent development
- Mixed-use redevelopment will activate the neighborhood around the clock
- Site is surrounded by permanent open space and transportation corridors
- Site visibility from north, south and east approaches provides an opportunity to strengthen this gateway into downtown with iconic architecture

## Site Plan Data

2 BUILDING CONCEPT		FLOORS	AREA (GSF)	BLDG HEIGHT (FT)	PARKING REQ'D (STALLS)
<b>Building 1</b>					
Retail	1	24,000	15		72
Office	2-5	96,000	56		92
Office	6-12	154,000	98		308
	<b>12</b>	<b>274,000</b>	<b>169</b>		<b>572</b>
<b>Building 2</b>					
Hotel	1-5	110,000	64		
Hotel (250 Rooms)	6-14	108,000	108		125
Residential or Hotel (150 Units / Rooms)	15-27	156,000	156		150
	<b>27</b>	<b>374,000</b>	<b>328</b>		<b>275</b>
<b>Totals</b>		<b>648,000</b>			<b>847</b>
<b>Parking</b>	<b>Parking Provided</b>				
Underground	3 Levels, 855 Stalls				
	<b>FAR</b>				
	Retail/Office	3.50			
	Hotel	2.75			
	Residential	1.89			
	<b>Total</b>	<b>8.28</b>			



Site massing representing 350' building height and FAR of 8.28, per Site Plan Data table

- This illustration was developed by one of the teams at the Grand Connection Design Charrette held last month. While the physical location of the Grand Connection may be on the south side of NE 6th Street, we shouldn't forget that a coordinated experience would also include the north side of NE 6th Street. This design suggests that both sides of NE 6th Street should be designed and developed with this "coordinated Grand Connection experience" as a design principle.
- Using this design principle, the Grand Connection and NE 6th Street will be anchored by the redevelopment of the four corners on either side of I-405. These sites play a key role in activating the Grand Connection by creating high-density, mixed-use places that people gather and connect to.



## Neighborhood Context

MAY 4, 2016



May 3, 2016

City of Bellevue Planning Commission  
Attn: Chair Hillhorst  
450 110<sup>th</sup> Ave NE  
PO Box 90012  
Bellevue, WA 98009  
Email: [planningcommission@bellevuewa.gov](mailto:planningcommission@bellevuewa.gov)

RE: Downtown Livability Initiative – DNTN-O-2 North Zoning

Dear Planning Commissioners,

Thank you for your work on the Downtown Livability Initiative. We are especially appreciative of your study of the DNTN-O-2 North zone. The attached materials are intended to provide you with a brief recap of our previous discussions with you.

Best regards,

A handwritten signature in blue ink, appearing to read "Michael Nielson".

Michael Nielson  
West77 Partners, LLC  
President & CEO



## Agenda Item: DNTN-O-2 North Subdistrict

*Request to Planning Commission: manifest support for raising height and FAR maximums to 400' and 8.0 FAR*

### **Preferred Alternative (400'/8.0 FAR) Will:**

- Promote Existing Comp Plan Goals:
- ✓ *POLICY S-DT-48. make NE 8<sup>th</sup> Street a “[m]ajor gateway” especially along the ridge along 108th Avenue (the highest point in Downtown, with some of the tallest buildings).”*
- ✓ *POLICY S-DT-44. Provide incentives for 106th Avenue NE to develop as Downtown’s Entertainment Avenue.... shops, cafés, restaurants, and clubs ... for an active pedestrian environment during the day and after-hours venues...*
- ✓ *POLICY S-DT-67. Develop a soft or hard open space amenity in the vicinity of 106th Avenue NE and NE 10th Street....*
- Preserve the Wedding Cake transitions between three zones: DNTN-O-1, DNTN –O-2, MU.
- Facilitate active, vibrant pedestrian spaces and mitigate traffic through mid-block crossing, thru-street and a major public open space amenity.
- Will position downtown to take advantage of next few decades of growth.
- *Is supported by West77 Partners, Chase Bank, KBS, and individual citizens such as Michael Orbino.*





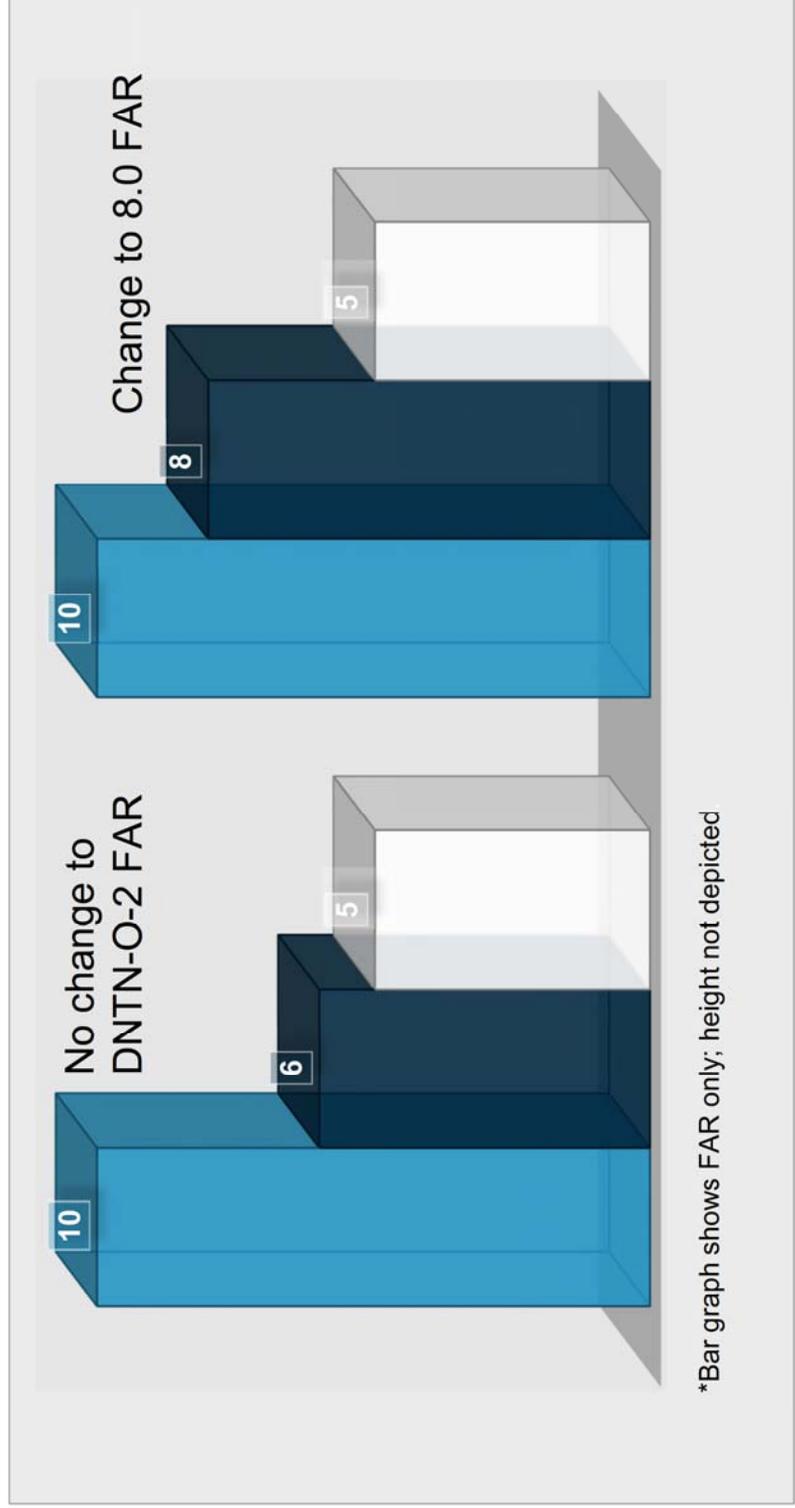
# Transition Across DNTN-O-1, DNTN-O2 and MU

Recommendations to date for maximum height and FAR (residential uses):

DNTN-O-1	DNTN-O-2	Adjacent MU
600' ~ <b>10.0 FAR</b>	400' <b>6.0 FAR</b>	250' <b>5.0 FAR</b>



Delta of 4.0 FAR between DNTN-O1 and DNTN-O2 across a single street (NE 8<sup>th</sup>).

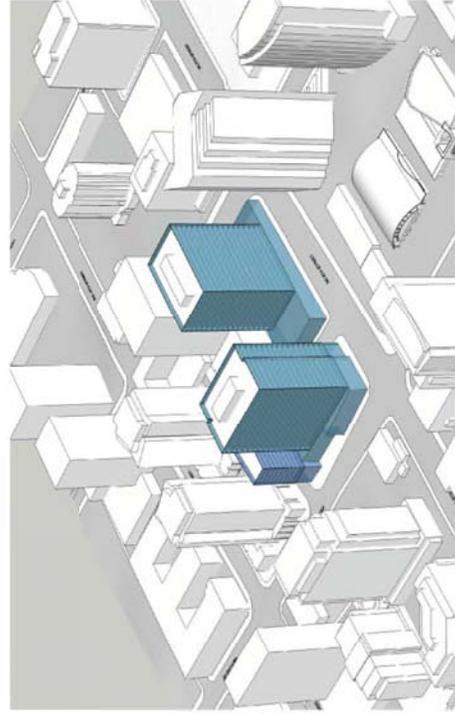


\*Bar graph shows FAR only; height not depicted



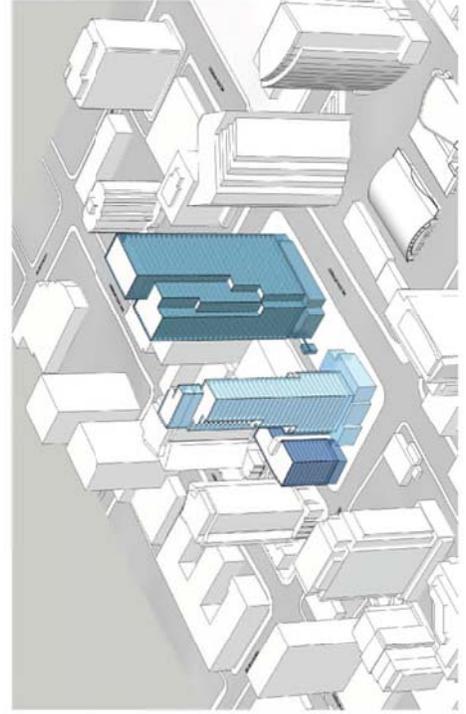
# Example Massing Study

## WASHINGTON SQUARE UP-ZONE STUDY MASSING DIAGRAMS 08-09-2016



### CURRENT ZONING AT 250'-0" HEIGHT LIMIT FAR-6

- Requires "Full-Block" build-out to be economically viable
- Access road from NE 8th instead of pedestrian open space
- Limited opportunity for design & pedestrian experience



### UP-ZONE SCHEME AT 400'-0" HEIGHT LIMIT FAR-8

- Allows room for 3 ground level open spaces
- Slender residential tower @ SW corner maximizes view & minimizes shadow
- Creates more opportunity for good pedestrian experience and building massing



comptondesignoffice.com



Looking westward along NE 8<sup>th</sup> St.



DNTN-O-2 North Subdistrict



# Computerized rendering of downtown core, including DNTN-O-2 North Subdistrict

Looking westward  
along NE 8<sup>th</sup> Street



Screenshot of 3-D model



# Architectural Rendering of Vision for Public Amenity Along NE 8<sup>th</sup> Between 108<sup>th</sup> and 106<sup>th</sup>

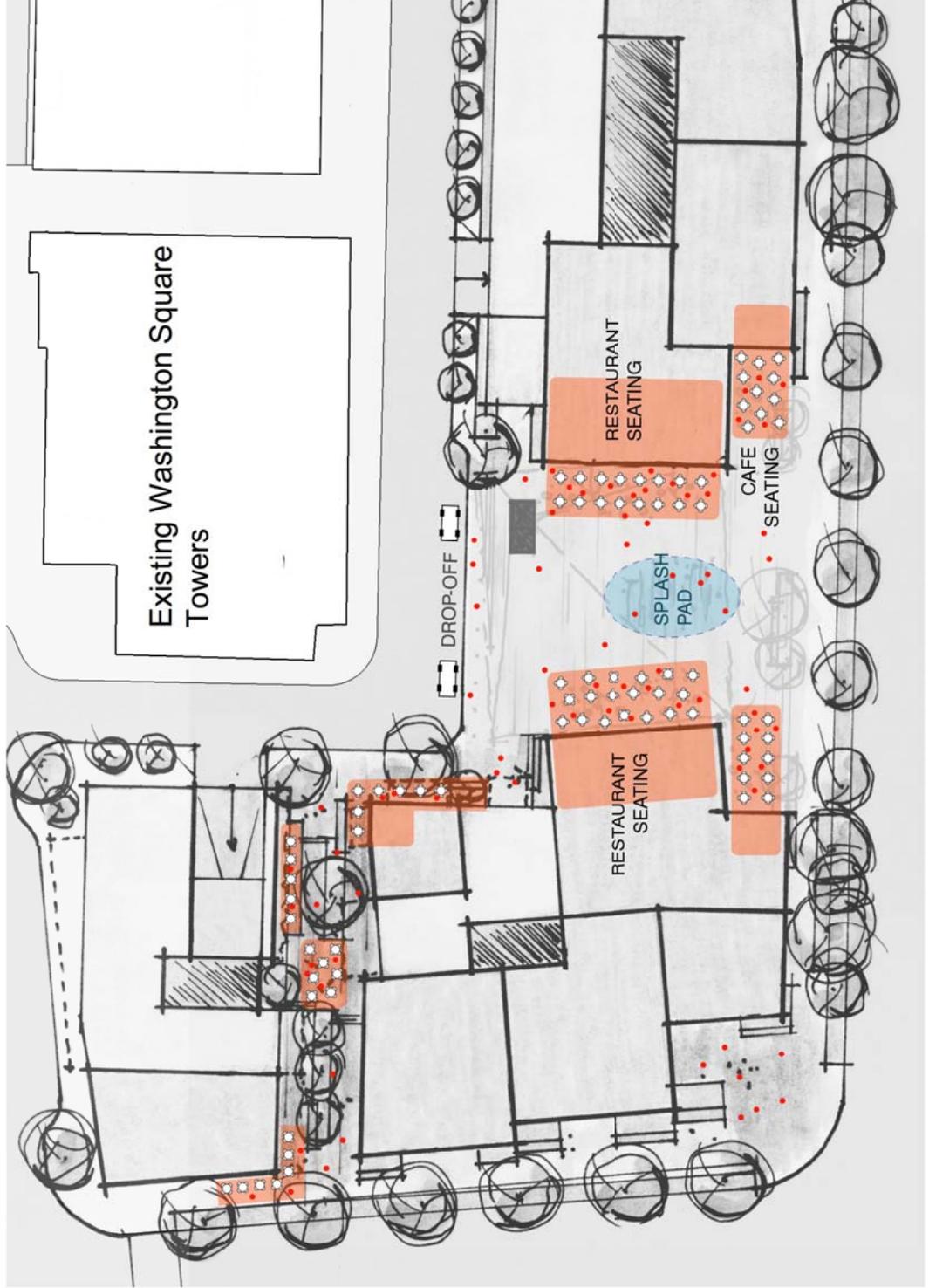
Towers shown at approximately 400' and 8.0 FAR

WASHINGTON SQUARE UP-ZONE STUDY  
PROJECT AERIAL  
03-09-2016



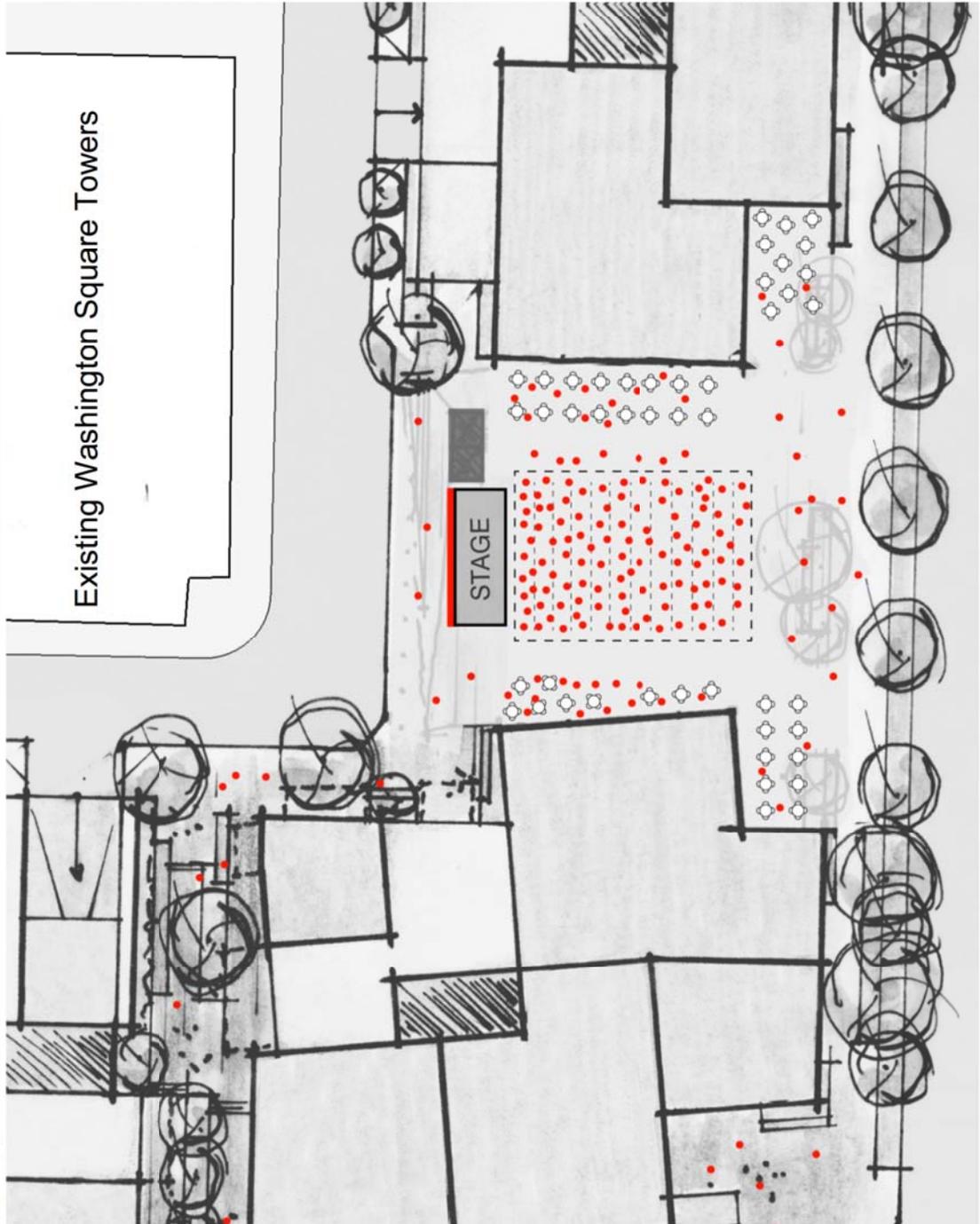


# Piazza Configuration Example: Restaurant/Splash Pad





# Piazza Configuration Example: Outdoor Concert/Performance





# Piazza Configuration Example: Farmers Market and Food Trucks





# Bellevue Planning Commission

## PLANNING COMMISSION PROPOSED SCHEDULE

### **MAY, JUNE, JULY 2016**

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MAY 11, 2016

6:30 PM: SINGLE FAMILY ROOM RENTAL UPDATE ON ENFORCEMENT; AEGIS CODE AMENDMENT; DOWNTOWN LIVABILITY STUDY SESSION

MAY 25, 2016

4:30 PM TO 5:45 PM: LOW IMPACT DEVELOPMENT PRINCIPLES STUDY SESSION  
6:30 PM ONWARDS: EASTGATE LAND USE CODE AMENDMENTS STUDY SESSION

JUNE 1, 2016

6:00 PM ONWARDS: PLAN AMENDMENT THRESHOLD PUBLIC HEARING (NOTE: HEARING STARTS AT 6 PM INSTEAD OF 6:30 PM)

JUNE 8, 2016

4:30 PM TO 6:30 PM: EASTGATE LAND USE CODE AMENDMENTS OPEN HOUSE  
6:30 PM ONWARDS: DOWNTOWN LIVABILITY

JUNE 22, 2016 (MAY BE HELD IN EASTGATE NEIGHBORHOOD LOCATION)

4:30 PM TO 5:45 PM: LOW IMPACT DEVELOPMENT PRINCIPLES STUDY SESSION  
6:30 PM ONWARDS: EASTGATE LAND USE CODE AMENDMENTS PUBLIC HEARING

JULY 13, 2016

6:30 PM ONWARDS: LOW IMPACT DEVELOPMENT PRINCIPLES PUBLIC HEARING

JULY 27, 2016

6:30 PM: DOWNTOWN LIVABILITY

*Effective 5/2/16*

CITY OF BELLEVUE  
BELLEVUE PLANNING COMMISSION  
STUDY SESSION MINUTES

April 13, 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, Emil King, Patti Wilma, Department of Planning and Community Development

COUNCIL LIAISON: Mayor Stokes

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:36 p.m. by Chair Hilhorst who presided.

2. ROLL CALL

Upon the call of the roll, all Commissioners were present.

3. APPROVAL OF AGENDA

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

4. PUBLIC COMMENT – None

5. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCILS, BOARDS AND COMMISSIONS

Commissioner Barksdale reported that he attended the design charrette prior to the Commission meeting and said it was great to see the members of all eight teams fully engaged in the process. Each team was charged with developing a vision for putting a lid over I-405 as part of the grand connection concept.

Chair Hilhorst noted that she attended the ARCH awards ceremony on April 7 and participated as part of the team that determined the winners. The event was held at the YMCA in Issaquah. The city won an award for the work done in the Bel-Red corridor relative to affordable housing.

Commissioner Morisseau said she recently met with representatives of Vander Hoek Corporation to discuss their views of the Planning Commission relative to what is working and what could be improved.

Commissioner Laing announced that Community Development Manager Patti Wilma will be retiring soon after 31.5 years with the city. He thanked her for what she has done for the city.

Chair Hilhorst said she recently was in contact with the chair of the Transportation Commission and voiced the Commission's eagerness to arrange for a joint meeting to discuss some of the large initiatives currently being addressed. She said the staff liaisons are working to arrange a date for a joint meeting.

## 6. STAFF REPORTS

Comprehensive Planning Manager Terry Cullen said he would hold his staff reports until the end of the meeting.

## 7. DRAFT MINUTES REVIEW

### A. February 24, 2016

Commissioner Laing referred to the third paragraph on page 5 of the minutes and asked to have the penultimate sentence revised to read "Commissioner Laing said it may be a good thing...."

Commissioner Laing called attention to the third paragraph on page 6 and asked to have the first sentence read "...instead of being an outright permitted use."

Commissioner Carlson pointed out that the word "studies" in the third paragraph on page 7 should be changed to "studios."

Commissioner Walter noted that in the eighth paragraph on page 8, the second sentence should be revised to read "...struck, however, that the proposed buffers...."

A motion to approve the minutes as amended was made by Commissioner Laing. The motion was seconded by Commissioner deVadoss and the motion carried without dissent. Commissioner Morisseau abstained from voting as she was not present at the meeting.

### B. March 9, 2016

Mr. Cullen reviewed with the Commissioners the revisions he had previously been directed by the Commission to make.

Commissioner Laing noted that in the second paragraph on page 13 of the minutes the second sentence should be revised to read "...along the southwest corner of the downtown." He also proposed changing the last sentence in the same paragraph to read "...and provides for more livable residential units."

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

### C. March 23, 2016

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

## 8. QUARTERLY CHECK-IN

Mr. Cullen noted that during the first quarter of the year the Commission conducted six meetings, eight study sessions, one open house, and no public hearings. All of the meetings took place at City Hall. The specific projects with which the Commission was involved were the downtown livability code amendments; the Eastgate Land Use Code amendments; the 2016 Comprehensive Plan amendments, which includes Vision Zero; and the expansion of the FAR exception for assisted living uses through the provisions of affordable housing. All of those projects remain ongoing and will continue into the second quarter.

Mr. Cullen said the Commission will be facing a number of time-sensitive items during the second quarter and noted that the schedule will be exceptionally full. The FAR exception issue is on the schedule for a public hearing on April 27. The threshold review for the package of Comprehensive Plan amendments is slated for a study session and public hearing on May 25, and the meeting may be held in one of the neighborhoods. The low-impact development standards issue is under the Clean Water Act and is very time sensitive; the city could face penalties if the work is not completed by November. The issue will be on the Commission's plate beginning in May, and there will be two study sessions and a public hearing on the topic in June.

Continuing, Mr. Cullen said the Eastgate Land Use Code amendments are on track to be wrapped up during the second quarter. A study session on the entire package of amendments, an open house and a public hearing will be held in May and June. The downtown livability project is ongoing, and the topic of critical areas will be the focus of a study session and a public hearing, though it has not yet been scheduled.

Mayor Stokes said the push to achieve some early wins relative to downtown livability was a good move on the part of the Commission. He suggested there may also be ways to speed up the meetings to some degree, including the way in which the Commission handles approval of its minutes.

Mayor Stokes commented that the Commission plays a pivotal role in city governance and helping to set the long-term direction and vision. The structure and staffing of the city's boards and commission, and even the Council, functions as if it were ten years ago in a sense, and it is necessary to try to be as nimble as possible and keep focused on what really needs to be done. A lot of behind-the-scenes work is under way to use time wisely and the end result is going to be great. The visioning work done by the Council, which resulted in the creation of several initiatives that have been worked into the budget, relies on the work of the Commission. Downtown livability, which is extremely important, has taken longer than first thought to bring about. Bellevue is facing the next level of urbanism and the code changes will set the stage for the city. The Council wants to see the high-priority work done and approved by the Council by the end of the year. The Eastgate Land Use Code amendments will impact an extremely important redevelopment area of the city, and the Council wants to see that work closed out as well by the end of the year. The challenge for the Commission will be to conduct careful deliberations and draft thoughtful recommendations with all due haste.

The Council has agreed to bring to the table the development of an affordable housing strategic action plan. The Council has agreed the emphasis should be on the word "action." The commitment made was to have the plan in place by the end of the year. A technical advisory group has been approved by the Council to work closely with staff and the Council to frame the project as it moves forward. The Commission will not be asked to review the overall strategies, but will be involved to effect the necessary code amendments. The grand connection concept is a

long-range piece in which the Commission will be heavily involved over the coming years. The idea is to link Meydenbauer Bay with Downtown Park and the pedestrian corridor and then across the freeway to Wilburton via a lid over I-405. The Commission will be heavily involved in creating something that will be iconic for the city. A national panel from the Urban Land Use Institute will visit the city in May to work with the city on a vision for redeveloping the Wilburton area; the Commission will be heavily involved in that work as well.

Mayor Stokes said it is an exciting time for the city and the Commission is in the middle of it all. He praised the Commissioners for their work ethic and for coming to meetings fully prepared to engage in discussion.

Mayor Stokes said the idea of meeting jointly with the Transportation Commission has not been considered at the Council level. Chair Hilhorst said the suggestion to have the Planning Commission and the Transportation Commission meet together stemmed from the desire to be more fully informed regarding transportation issues in the city and the transportation impacts that can flow from land use decisions. Mayor Stokes agreed with the need to be clear about the impacts of recommendations. The problem is that joint meetings mean more staff resources. There are policy decisions involved in how the boards and commissions work together that should first be broached with the Council. Joint meetings, while informational, may not be as productive as the commissions working severally on their specific issues.

Commissioner deVadoss expressed his support for the staff and the work they have done over the last three months. With regard to having more predictability and visibility relative to making progress on the various initiatives, he stressed the need to track key milestones. That would give the Commission a much better handle on objectively measuring progress. If that could be resourced, in a year and a half there would be enough data to be able to say if the Commission is moving faster or slower along with why or why not.

Commissioner Barksdale noted that the packet included information about the data initiative. He commented that as Bellevue continues to grow in population, city changes will need to occur at a relatively snappy pace, but without sacrificing quality. Having the necessary data available will speed up the ability of the Commission to make decisions. He said he and Commissioner Walter would be bringing more details to the Commission at a future meeting.

## 9. STUDY SESSION

### A. Downtown Livability Land Use Code Update

#### i. Staff Presentation

Strategic Planning Manager Emil King briefly reviewed the process to date and reminded the Commissioners that the topic would generally be on the calendar for the second Wednesday of each month through November. He said the website is being updated to pull together the work of the Commission, public comments and Council sessions to make it easier for people to follow along and track progress. The goal is to have a full Downtown Livability transmittal from the Commission to the Council by the end of the calendar year.

After quickly reviewing the Council principles that drove the work of the CAC, Ms. Wilma reviewed with the Commission the staff's recommendations relative to tower spacing, as well as the allowed departures and small site exceptions.

Commissioner Walter commented that if there were several small sites adjacent to each other,

the tower spacing could end up with a maximum of 40 feet between them. She asked if there are many such sites in the downtown. Ms. Wilma said the small sites that exist are scattered throughout the downtown. Typically, sites get consolidated to achieve the most development potential.

Commissioner Morisseau asked how the desire for flexibility would be handled in terms of tower spacing. Ms. Wilma said first staff would determine if a proposal meets the intent of the tower spacing requirement relative to light and air between buildings and solar accessibility to adjacent buildings. All surrounding conditions that may be challenging to the developer would be reviewed as well. If a project can achieve 70 feet of separation by offsetting buildings, staff would conclude the intent had been met.

Commissioner Carlson asked if the spacing requirement could legally constitute a taking. Ms. Wilma said not so long as departures are provided.

With regard to the issue of connected floorplates, which typically happens with five-over-one buildings, Ms. Wilma said the staff recommendation includes specific dimensions and percentages of offsets. She noted that departures will be allowed under certain circumstances. The outcome desired is buildings with distinct appearance through the use of significant modulation to break up the mass of connected floorplates.

Ms. Wilma said the recommendation relative to wind, shade and shadow is to have the shortest façades on the north and south building faces to mitigate shade, shadow, and wind impacts at the pedestrian level. She noted the recommendation included limiting podium height to 45 feet with allowance for departures for specific conditions.

The key elements relative to the DT-MU were indicated to be equalizing the residential and non-residential FAR at 5.0, allowing residential buildings up to 300 feet, and allowing non-residential buildings up to 200 feet. Ms. Wilma said staff had changed its view about eliminating the 15-foot mechanical equipment height requirement on the grounds that doing so would not provide sufficient predictability for the public. She said the new recommendation was for 15 feet but with a departure up to 25 feet which is the industry standard for HVAC and cooling towers.

Commissioner Morisseau asked what staff's recommendation was relative to the 15 percent/15-foot rule, Ms. Wilma said the proposal is to retain it. She explained that the rule applies to habitable space that can be added to a building in exchange for amenities such as modulation of the tower, reduced floorplates, and excellence in design.

Ms. Wilma said staff also was recommending elimination of the C overlay district. In terms of height and form, it is redundant in that the underlying DT-MU district has essentially the same criteria. The C overlay has to do with the kinds of uses that are expected in the area, but staff believes the market should be allowed to drive the uses.

With regard to the Deep B district in the Northwest Village area, Ms. Wilma said the recommendation is for the residential FAR to remain at 5.0. The recommendation relative to height is to allow from 160 to 240 feet, with 200 feet being the average. Single tower projects would be allowed a maximum height of 160 feet, and the variable heights up to 240 feet could only be achieved through a development agreement that provides a public benefit above and beyond what the Land Use Code and the amenity system provides.

Commissioner deVadoss asked what the rationale is behind the single-tower limit on smaller stand-alone sites. Ms. Wilma said small sites do not allow the opportunity to provide substantial

open space or other amenities.

Commissioner Morisseau said that assumes the amenities provided for the public would be restricted to the development site. Ms. Wilma said that is not necessarily true. It is possible amenities could be provided off site. Commissioner Morisseau questioned why the tower height should be limited to 160 feet, especially if the developer provides something from which the public will benefit.

Turning to the DT-MU Civic Center area, Ms. Wilma said the proposal includes building heights up to 350 feet for both residential and non-residential. Given the proposal to also allow building height up to 350 feet in the DT-OLB district, the effect will be a broadening of the Civic Center district.

The proposal regarding the A overlay in the downtown includes retaining the current FAR limit of 3.5 for residential and 0.5 for non-residential. The CAC recommended allowing up to 70 feet in height for residential, but the staff recommendation is to maintain the current building height of 55 feet where the properties are across from or abutting single family zoning, and supporting 70 feet where the properties are across from or abutting multifamily or commercial zoning.

Ms. Wilma said the DT-MU A and B overlays between 112th Avenue NE and 110th Avenue NE, which is in close proximity to the East Main light rail station, presents a unique situation. The recommendation for the A overlay is for an FAR of 5.0, and the recommendation is also to maintain the current FAR of 5.0 for the B overlay district. With regard to height, the recommendation is for 70 feet in the A overlay and allowing height in the B overlay to go to 200 feet for residential. The B district has a unique opportunity to become transit-oriented development.

Chair Hilhorst said it was her understanding that the exercise was largely based on equalizing building height regardless of where the use is residential or non-residential. Mr. King explained that under the existing zoning, the FAR allowed is the same in a number of downtown zones. The CAC discussed the MU zone at length, which takes up a majority of the downtown and which currently allows a different FAR for residential and non-residential buildings. The CAC recommended equalizing the FAR in the large portion of the MU district where A and B overlays are not present. There has always been a discrepancy in the A and B design districts in that residential uses are allowed to be denser and taller than non-residential, and the CAC did not recommend equalizing in these areas. One major driver was the proximity of the A district to the neighborhoods. The Commission is free, of course, to explore other options.

Commissioner deVadoss referred to the principle of providing for higher density near the light rail alignment. He recommended simplifying things by equalizing the residential and non-residential requirements.

For the DT-O1 office core, the staff recommendation is to retain the 8.0 FAR for non-residential and maxing the currently unlimited FAR for residential uses at 10.0, which is generally what can be built within the current 450-foot height limit. The recommendation is to also consider allowing height up to 600 feet for both residential and non-residential. Ms. Wilma noted that the 15 percent/15-foot rule does not apply in the DT-O1 district, and there is no additional height allowed to accommodate mechanical equipment. By not increasing FAR, the taller towers will be far narrower.

In the DT-O2 area north of NE 8th Street, the CAC recommended no change to the FAR and height up to 300 feet. The staff, however, are recommending building height up to 400 feet to

help build the wedding cake effect on the northern side of the downtown. To the south of NE 8th Street, conditions are different in that a number of the lots are small and the overall development potential is less robust. Accordingly, the staff supports the recommendation of the CAC for building height of up to 300 feet.

Ms. Wilma said for the OLB/1 district, between NE 4th Street and NE 8th Street, the CAC recommended an FAR of 6.0 for both residential and non-residential, and building height up to 350 feet. The staff support that approach but also recommends giving consideration to public views and the grand connection vision as needed as development occurs. The 15 percent/15-foot rule would apply as would the departure allowed to accommodate mechanical equipment.

Mr. King clarified for Chair Hilhorst that there are two OLB areas, one between NE 4th Street and NE 8th Street, and one that is tentatively being called OLB/2 that lies between Main Street and NE 4th Street. The OLB/2 area will be held in abeyance until the Council addresses the Mount Rainier view corridor issue.

#### ii. Public Comment on Downtown Livability

Mr. David Meissner spoke on behalf of CD Heritage, 16541 Redmond Way, Suite 277, Redmond, and as owner of the Connor Building at 888 108th Avenue NE. He said the site was purchased in 2013 because it represents a prime opportunity for transit-oriented development. The property is zoned Downtown Residential (DT-R) and is located 1,000 feet from the Bellevue transit center and less than a quarter mile from the future downtown light rail station. Building permits have been sought for a project that complies with the current downtown zoning, and the expectation is the permits will be ready in July, after which construction will begin on a 19-story tower having 158 residential units, 211 parking stalls, and ground-floor retail. The CAC discussed the R zone but made no recommendation because a portion of the zone is already improved or falls under other subdistricts. The Commission was encouraged to define a vision for what is clearly an important portion of the downtown. The Commission was asked to direct the staff to study increasing density in the Downtown R zone, which is bounded by MU to the east and west, and O2 to the south. The CAC recommended additional height for those zones, and there is community support as well for additional density. It will be very important to the overall goal of the Downtown Livability Initiative to make sure the R zone will be complementary and maintains the wedding cake vision. The Commission was asked to consider including the Connor Building site entirely in the O2 zone; currently the zone boundary cuts through the property.

Commissioner Carlson asked Mr. Meissner what he would like to see allowed for the site. He said his preference would be to be allowed an additional four stories, which would be close to 250 feet overall, and additional density.

Mr. Andy Lakha, 500 108th Avenue NE, Suite 2015, spoke representing Fortress Development Group and a proposed residential, four-star hotel and retail development located on NE 8th Street at Bellevue Way to the north of Bellevue Square in the MU district, partially in the Deep B district. He urged the Commission to discuss increased density along with the recommended heights in downtown Bellevue. The region is making multi billion-dollar investments in light rail transportation, and it is the appropriate time to consider how to support and leverage the system. Increasing heights without additional FAR will create a more expensive project and will decrease the likelihood of projects moving forward. Fortress also has concerns regarding the elements of urban form and the prescriptive nature. The Commission was urged to consider tremendous flexibility. Each site is unique and mandating approaches will hinder both staff and project teams in determining the best development for each site. There is a clear need to better understand the

Deep B district. To allow split zoning on a site does not make good policy sense; consistent zoning will help to support quality urban design. The last downtown code update happened three decades ago, and the next one is unlikely to happen again in the foreseeable future. The opportunity to plan for the future is now.

Mr. Pat Callahan, 1425 4th Avenue, Seattle, said he is working on a site in the center of downtown Bellevue that is just north of the transit center. Currently the site is developed with a ten-story office building and a four-story above-grade garage. The focus has been on how to tear down the garage and replace it with something new and shiny. He said he has been involved in the downtown office market for the past ten years both as an owner and operator. The fact is the garage makes money, which makes it hard to justify redeveloping it. One thing that would help would be for the city to continue bonusing the movement of parking spaces from above grade to below grade. FAR bonuses for the Pedestrian Corridor should also continue to be supported given that the Pedestrian Corridor is an important element of the Grand Connection vision; the site in question is relevant as well because the above-grade parking structure located on the Pedestrian Corridor has a negative effect. The city should also consider reducing the parking ratio requirements, at least for the core of the downtown. With light rail coming in and the investments being made in transit infrastructure, a reduction from 2 to 1.5 could help to make some projects more feasible. With regard to the notion of orienting buildings north and south, he said he understood in theory why that should be avoided. However, for the parking structure site, orienting north and south is the best option, particularly if height of 600 feet is allowed and it becomes possible to build a single structure rather than two in order to maximize the FAR.

Chair Hilhorst pointed out that the parking garage is full and is making money, which is clear evidence of a need for parking in the downtown, particularly adjacent to a transit center. She asked what is going to change in the future to make the need go away. Mr. Callahan responded that over time the number of people driving alone in their cars to work has changed. The previous transit investments helped to reduce the numbers dramatically. The owners of the Expedia building also own Bellevue Corporate Plaza, so there are a lot of Expedia employees using the garage currently, and with Expedia leaving Bellevue it is a bit of distortion to say the garage is completely filled. It may be six years before the site is redeveloped, and what the future will look like ten years out will be more important than how it looks currently.

Chair Hilhorst asked who is to say that whoever moves into the Expedia building will not have employees wanting to use the parking garage. Mr. Callahan said buildings generally are becoming more densely populated. Expedia started in the Eastgate corridor and then moved to the downtown, and their focus at both locations was on employees arriving by car. Their move to Seattle will cause them to get more serious about transit. Most employers are in fact becoming more aggressive in terms of encouraging their employees to use transit.

Commissioner deVadoss asked where building orientation should fall on the list of priorities. Mr. Callahan said relative to the parking garage site, the overall height of 600 feet is quite important; the north-south orientation would be a close second to that priority. The principle is clear and important but should be interpreted for each site in light of other things to be achieved.

Commissioner Carlson asked why less parking should be required for a building that is 600 feet tall than for a building that is 450 feet tall. Mr. Callahan said his request was to establish a minimum parking ratio that is lower than the current minimum. To invest what it takes to build a new office building, if there is a parking demand that is higher than the minimum, the developer will chose to develop to address the demand rather than the minimum. At the same time, the developer may choose to implement creative ways to share parking.

Mr. Matt Roewe, an architect and urban planner with VIA Architecture, 1809 7th Avenue, Suite 800, Seattle, complimented the Commission and the staff for taking on such a huge challenge. He indicated that while the issues are complicated, it is the right time to address them. He explained that the property at the corner of 112th Avenue NE and Main Street in the southeast corner of the downtown is under two different owners who are voluntarily working together to achieve something better. The sites are between 50,000 and 60,000 square feet each and both are currently underutilized with parking lots around office buildings. They are located about a thousand feet from the East Main light rail station and a third of a mile from the City Hall station. The goal is to combine the sites and create a tremendous connection through the city while meeting the goals of the Downtown Livability Initiative of making the blocks more porous, more pedestrian friendly, and to create open space of benefit to the public. The staff recommendations have been well received for the project with one notable exception.

Mr. Andrew Miller, with BDR Capital, 11100 Main Street, said the group agrees with the recommendations relative to an FAR of 5.0 for residential, and the split between the A and B perimeter districts for the non-residential. The Perimeter A district recommendation allows 70 feet of height only for residential buildings but the current staff recommendation is for 40 feet for office buildings. He requested increasing the 40 feet to 70 feet for office. At 70 feet, the size, shape and scale of the building is already okay. The use really does not make a big difference.

Mr. Roewe added that the existing buildings on the two properties have floor plates of about 19,000 square feet and 15,000 square feet. The desire is to take the office space and create small boutique scale buildings with only 11,000 square feet and 9,000 square feet, which is smaller than most residential floor plates would be. The Commission was asked to consider regulating form rather than use, and allowing 70 feet of height. Bulk can be controlled by requiring smaller floor plates and increasing the width of structures along Main Street.

Mr. Phil McBride with John L. Scott, 11040 Main Street, said the company is family owned and has been in business for 85 years in the area. The company has grown to become the 13th largest residential brokerage company in the nation. The site in downtown Bellevue was purchased with the intention of making it the company headquarters, which it is. The company plans to grow and that will require a bit more height.

Mr. Roewe said the tremendous public benefit of open space and midblock crossing will flow from being allowed the increased building height, which is needed to offset the costs.

Chair Hilhorst asked about the taller towers behind the shorter buildings fronting on Main Street that were shown in the drawings presented to the Commission. Mr. Roewe said the towers are representative of what could be achieved under the staff recommendation for the District B overlay district. They would be residential uses, stepped back as they rise in height, with an overall FAR of under 5.0. The shorter buildings constitute about 15 percent of the total FAR and come in at about 1.0 themselves.

Commissioner Carlson asked what will be developed immediately to the south. Mr. Roewe said that will be a new park where the light rail line goes underground. Commissioner Carlson asked why the staff recommended 40 feet rather than 70 feet across the street from a non-residential use. Mr. Roewe explained that the Perimeter A district goes three-quarters of the way around the entire downtown. The lower height limits makes a lot of sense in those areas where there is residential nearby, but at the East Main location across from a park and close to the East Main light rail station, and close to the East Main redevelopment area, 70 feet makes more sense.

Ms. Wilma said the CAC was sensitive to having office uses close to residential uses.

Mr. Patrick Bannon, president of the Bellevue Downtown Association (BDA), 400 108th Avenue NE, Suite 110, thanked Ms. Wilma for her service to the community over the years. He noted that the letter recently sent to the Commission from the BDA highlighted several points of consensus. The changes that are being contemplated are highly situational depending on location and parcel size. The BDA generally supports the recommendations that have been brought to the table, including flexibility with regard to height and FAR in targeted areas, simplicity in readability and predictability in the design guidelines, and the balance of economic benefit and livability. Once changes move forward and the incentive system gets more defined, the BDA will continue to refine its feedback. The goal is to continue ensuring that downtown Bellevue will remain a viable and livable heart for the community for the next 50 to 100 years.

Mr. Brian Franklin spoke representing PMF Investments, 15015 Main Street, Suite 203, which is the new owner of the Bellevue Sheraton. He said PMF has had a good relationship with the city for nearly three decades during which it successfully transformed the Kelsey Creek Shopping Center into a community enhancing project in collaboration with the surrounding neighborhoods and city staff. With regard to the view corridor, he said any endorsement of the corridor in any zoning designation will set a precedent. The CAC did not recommend creating a view corridor, and rather than adopting it, the East Main CAC said their goal is to optimize land uses, increase potential ridership, include housing as well as other uses, have higher urban scale densities, and be pedestrian oriented. PMF agrees with the design principles of the CAC and their rejection of the view corridor. Many of the Commissioners have also been skeptical of the view corridor and noted that it makes little sense, appears awkward, and aims to protect the view only from City Hall while no other public or private views of Mount Rainier are protected. Some Commissioners also indicated there could be significant economic impacts associated with the view corridor. PMF intends to once again work with the community on a project all stakeholders can feel proud of. PMF shares the universally held vision for the property. The view corridor is not supported by any of the livability study CAC members. The Commission should act to reject the view corridor due to its dismantling of a decade of downtown and transit planning, and the CAC's recommendations for the East Main station area. Any recommendations on any policy decisions related to the view corridor should be delayed until after PMF has had the opportunity to finalize the impacts of the view corridor on the Sheraton site.

Carl Vander Hoek, spoke representing the Vander Hoek Corporation, 9 103rd Avenue NE. He pointed out that the city has yet to perform the analysis desired by the City Council and the CAC to determine what incentives are achievable through a cost/benefit analysis. He suggested that 15 feet of additional height in the Perimeter A district is not enough of a benefit to offset the costs of providing open space and other amenities. Additional height and FAR should be considered for the A and B design districts in order to make the cost/benefit financially feasible. In areas like the B district in Old Bellevue where no additional height or FAR are being considered, the result will be no amenities such as open space will be provided by development. That is much the same as telling the neighborhood it does not deserve exceptional amenities. The Commission and staff should consider increasing the current height and FAR limits in the A and B perimeter districts where they do not abut single family homes across the street. In Perimeter B, increases from the current 90-foot limit should be considered to 160 feet, similar to the Deep B recommendation. The current minimum FAR should be increased to 4.0 and the maximum FAR should be increased to 6.0. Perimeter A increases should be considered from 55 feet to 75 feet, and the FAR should be increased by one point for both residential and non-residential. That would serve to maintain the wedding cake, a tiered approach that has worked well for 30 years. Going to 70 feet from 200 feet will leave a gap in between. The current recommendation for the Old Bellevue section calls for 70 feet in the A district and 90 feet in the B district, and 300 in the MU next door. To better graduate the tier, the recommendation should be for 75 feet in the A district and

160 feet in the B district. The 90-foot limit in the B district requires concrete and steel frame construction, which comes at a higher cost than the traditional five-over-one wood frame construction. The increased cost makes a 90-foot building financially infeasible, especially if underground parking and pedestrian weather protection are no longer incentivized. Increased height and FAR in the B district would provide the incentive needed to deliver a variety of amenities desired by the public; without increased height and FAR, there is no incentive to provide the amenities. If underground parking is no longer going to be incentivized, allowing additional height and FAR will be the only way to avoid an effective downzone of properties in the Perimeter A and B districts. Increased height and FAR will make possible the exceptional urban design and form that is sought by all downtown residents and workers, and the associated requirements should include exceptional amenities that address transportation issues.

Mr. Jonathan Kagle, president of the Vuecrest Community Association, PO Box 312, addressed the Deep B area which lies very close to the neighborhood that has been around since the 1940s. The proposal to increase height from the current 90 feet to 240 feet, plus a 15-foot bonus, is significant. While there is also a proposal to allow up to the full 240 feet through a master development plan and design review, as envisioned it applies only to buildings above 160 feet. The requirement for a master development and design review should apply to all projects 90 feet or higher.

Mr. Ian Morrison, an attorney with McCullough Hill Leary, 701 5th Avenue, Suite 6600, said it is exciting to see the work done over the last three years coming to the point of developing policy and code language. That is where the rubber hits the road. Much has been said about encouraging strategic looks at increased density or FAR, and that is something the Commission should in fact carefully consider. The city and the citizens are making a multi-billion dollar investment in the downtown that should be leveraged by considering the appropriate places for more density and height. What is before the Commission is a hundred-year transformational event and it should look hard at what can be done to bring the transit-oriented development principles into play to contribute to the livability and vibrancy of the downtown. There also have been concerns voiced about the technical issues related to the elements of urban form. Concerns have been raised about floor plate restrictions, and about building height and how it interacts with the incentive program. The task before the Commission is how to translate recommendation language into code language in a way that meets the vision of livability but also in a way that will make sure projects will be able to pencil out and transform into the skyline Bellevue wants to see. A technical advisory committee should be appointed to work with the development community, the staff and the community to stress-test some of the elements in the various zones, including floor plate size, tower spacing and pedestrian connections, so that when it all turns into code language it will work to the benefit of all.

Mr. Mike Neilson, 10650 NE 9th Place, said there is a much to be said for identifying strategic locations for adding density. One such location where it makes sense is the O2 North district. It has been pretty well established that NE 8th Street is a gateway and something that should be preserved. There is also policy language relating to what should happen between 106th Avenue NE and 108th Avenue NE and there is a great opportunity on the north side of NE 8th Street to create more parody than what is being recommended. The staff recommendation of building heights to 400 feet supports the wedding cake theory. With respect to FAR, however, the O1 zone will be going to 10.0 FAR and 600-foot building heights. The proposed increase to 400 feet for the O2 district makes sense, but without additional FAR it is unlikely the additional height will ever be capitalized on. The staff recommendation with regard to height makes sense, but it does not make sense to drop the FAR down from 10.0 to 6.0 and then to 5.0. Something between an FAR of 7.0 and 8.0 makes sense for the O2 district, but the minimum should be 7.0.

Commissioner Carlson said the critics would say increased density at the level proposed would clog the gateway. He asked if they are wrong. Mr. Neilson said if the talk was about increasing the FAR by 4.0, the critics would be right. A pragmatic increase of 1.0 or 1.5 will in reality add no more than 100,000 square feet and not much more traffic.

Chair Hilhorst thanked Mr. Neilson for his display at the March 9 meeting. She said she has heard that unless the city grants additional height and FAR, the vision presented on March 9 may not happen. She asked if it really is a do or die situation, adding that there must be opportunity taken to reduce density toward the edges of the downtown and to create thinner buildings to increase the amount of light and air reaching the ground. Mr. Neilson suggested that whatever gets built along NE 8th Street in the O2 district will be fabulous. What the additional height and density will bring with it is projects that are even better.

Mr. Alex Smith with 700 112th LLC, 700 112th Avenue NE, Suite 302, commented on the view corridor issue. He said he participated as a stakeholder in the recent charrette during which it occurred to him that the best view corridor may be the Grand Connection going over I-405. The charrette generated a number of ideas, some of which are not realistic, but the lid seemed to be a common approach. Seeing the mountain from the lid was an obvious opportunity for the public. There really is not much of a view from City Hall currently even without any future expansion. The best views are provided from the upper levels of buildings in the downtown. If the view corridor discussion goes forward, there should be consideration given to what will be won if there is a win. The view corridor issue should be set aside in favor of determining how the public can access tall buildings in the downtown, and putting retail and public gardens at the top.

Ms. Catherine Hughes, 10203 NE 31st Place, spoke representing the Northtowne neighborhood steering committee. She noted that over the past several years there has been a consistent call for increased heights and increased densities. With the Deep B overlay, almost 300 feet of height will be stacked up against residential uses. That is wrong and it is not part of the wedding cake design to go from the current 90 feet to anywhere between 160 to 240 feet, plus the extra allowed for mechanical equipment. All that height will be stacked against the Vuecrest and Northtowne single family homes. The Northtowne community is opposed to the proposal. There would have to be some substantial mitigation, but even so 300 feet is truly unthinkable.

Commissioner deVadoss asked what kind of mitigation should be recommended. Ms. Hughes said height should be limited to fit in the wedding cake concept. Even going to 125 feet would throw a big shadow east, west and north; in January the shadow cast would stretch two and a half blocks or more. The wedding cake concept has been working very well for almost 30 years and it should be continued.

Commissioner Barksdale asked if any of the developers have visited with the neighborhood association in an attempt to craft out a win-win solution. Ms. Hughes said the association has been approached by at least one developer. Ideas were put on the table, but there was no change in height offered.

Commissioner Walter noted that one group has asked for more height but not for more FAR so they can add open space and community space. She asked if taller buildings with more open space at the ground level appeals to the neighborhood. Ms. Hughes said it is not clear to the neighborhood how things will play out. It would involve reconvening the whole group to talk about how to make it all agreeable. Bellevue Way serves as a raceway for cut-through traffic, and that is one issue that would need to be addressed.

Chair Hilhorst asked if the community was contacted about the March 9 open house. Ms. Hughes

said several members of the organization attended and commented.

Mr. Michael Orbino, 650 Bellevue Way NE, said it was refreshing to hear the public, elected officials and city leaders talk about ways to keep Bellevue livable. He said he grew up in Bellevue and has interacted with the downtown core almost daily for the last 20 years, and for the past 12 years has been a resident of the downtown. He said as the downtown continues to develop, some downtown residents will lose the views they have. Even so, most are excited about seeing new ambitious projects come to the downtown. Traffic impacts the daily lives of downtown residents, but the biggest threat to livability is non-inspired, non-dynamic single-use buildings. The Commissioners were encouraged to continue doing the work it is doing, and support was voiced for the Washington Square request for additional FAR. The thought of seeing new public spaces developed is exciting as well.

Commissioner Barksdale asked for a reaction to the notion that additional density in the downtown will jam the city. Mr. Orbino said Bellevue is already jammed so that ship has sailed. What is really needed is a focus on making the downtown pedestrian friendly. As things stand currently, many chose to drive because it is the better option.

A motion to extend the meeting to 10:30 p.m. was made by Commissioner Morisseau. The motion was seconded by Commissioner deVadoss and the motion carried unanimously.

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Working first through the downtown-wide issues, there were no comments made by the Commissioners relative to the recommendations for tower spacing. The consensus was to accept the staff recommendation.

Commissioner Morisseau stressed the need to place an emphasis on simplicity and clarity when drafting the code language, and the need to include flexibility.

With regard to the floor plate reduction issue, Commissioner Morisseau asked what benefit a reduced floor plate size yields. Ms. Wilma said it brings about more light and air flow as well as buildings that are more architecturally interesting. Additionally, studies have shown that a 20 percent reduction is enough to accomplish that.

There was consensus in favor of the staff recommendation.

Turning to the issue of connected floor plates, Chair Hilhorst asked if something could be included in the code language requiring the nicer side of buildings to face the streets with the most pedestrian traffic. Ms. Wilma said she could do that.

There were no other comments and the consensus was in favor of the staff recommendation.

Mr. King called attention to a corrected typo in the packet material regarding the staff recommendation relative to orienting towers. He clarified that both for shade and shadow and for wind consideration, there was a preference for the façades with the shortest faces to point toward the north and south.

Ms. Wilma agreed with the comment made by Mr. Callahan that much will depend on the configuration of the site. Given the site he referenced, which has a parking garage building on a corner adjacent to the transit center, orienting a building with its smallest façades facing north and south would be ideal; that is how the City Center II building just to the south is oriented.

Commissioner Walter commented that regardless of building orientation, at some time of day there will be shadows cast. She said a hard and fast rule about orienting the shortest building faces north and south would not be in keeping with the need for flexibility. She said she applauds the goal but suggested it may not be achievable. Ms. Wilma said she could include in the language that shade and shadow studies are critical to determining the final orientation of buildings. Mr. King agreed that specific site conditions may dictate the need to move away from the recommended approach of orienting the shortest building faces toward the north and south.

Commissioner deVadoss said he would prioritize economic value over light and shadow every time.

Commissioner Morisseau asked how much of an impact on staff resources will result from requiring light and shadow studies. Ms. Wilma said the impact would be minimal. The developer would do the analysis. She said the language could include a focus on minimizing light and shadow impacts between the hours of 11:00 a.m. and 2:00 p.m. when office workers are most likely to be outside. Commissioner Morisseau pointed out that if the primary use of a building is residential, it can be assumed that during those hours the people would be at work and not at home.

There was agreement to include language to conduct shade and shadow studies that give consideration to the use of the building.

With regard to the tripartite, Chair Hilhorst asked where the potential departures begin. Ms. Wilma said currently there is no limit on the podium height, but the first floor above 40 feet has a square footage limit on the floor plate. The requirement is awkward both to apply and design to because in reality the first floor above 40 feet could be wherever the architect wants to put it, which means the podium can be very tall. The recommendation to establish a maximum podium height of 45 feet to the top of the roof is intended to better relate to the streetscape and the pedestrian experience. Another way to approach would be to simply require all buildings to step back at 45 feet.

Commissioner Barksdale asked what the difference would be in terms of construction. Ms. Wilma said it would be easier relative to highrise construction because of the different materials used. With five-over-one construction, flexibility is needed to allow the setbacks to mesh with where the walls line up, and that could mean a 12-foot setback rather than a 15-foot setback.

Commissioner Morisseau stressed the need for consistency in code language among the various districts in the downtown. Ms. Wilma agreed. She added that the idea of establishing a technical advisory committee to take the draft code language and test drive it before it is ultimately adopted.

The Commission addressed the height and form recommendations next, beginning with the DT-MU. The recommendation of the CAC was to examine up to 300-foot residential buildings and 200-foot office buildings, while equalizing the residential and non-residential FARs to 5.0. The staff recommendation includes additional tower spacing, diminishing floor plates and special open space requirements for all residential towers over 200 feet and all non-residential towers over 100 feet.

Chair Hilhorst observed that the proposed Tateuchi Center is in the DT-MU zone and asked how tall it is proposed to be. Mr. King didn't recall the precise height but guessed it will be not much more than 100 feet.

With regard to building height, Chair Hilhorst suggested the Northtowne neighborhood cares more about overall building height than whether the use in a given building is residential or non-residential. Ms. Wilma explained that the maximum floor plate is different for residential buildings versus an office building. Where an office floor plate of 24,000 square feet works, 12,000 works better for residential. To achieve the FAR, residential towers would be taller and skinnier. Mr. King added that the CAC agreed with the need to equalize the FAR for residential and non-residential at 5.0, and recognized the need for residential towers to be taller. Currently, the FAR for residential is 5.0 but only 3.0 for non-residential in the DT-MU district.

Commissioner Morisseau asked if the 15 percent/15-foot rule was included in the recommendation. Ms. Wilma allowed that it is included but said the Commission could choose to include whichever is less.

Commissioner Walter commented that 300 feet seems extraordinarily high given where the DT-MU is situated. She added that if the Tateuchi Center does not build to the full height, it will appear to be in a tunnel. Mr. King said there are cases in the downtown where buildings have been constructed well below the maximum height; the Bellevue Arts Museum is a case in point, and there are buildings in the Ashwood neighborhood that could have been constructed up to 200 feet tall but chose to go with five-over-one construction instead.

Commissioner Morisseau said she shared the concerns voiced about tall towers located so close to the Northtowne residential area. She noted that the Ashton and Ten20 buildings are already at about 230 feet tall and asked if the Commission could okay allowing non-residential buildings up to 200 feet but limiting residential buildings to 250 feet, but without allowing the 15 percent/15-foot rule. Mr. King said the CAC was wanting to allow additional opportunities for taller and more slender residential towers, which is why they recommended 300 feet for residential with the 15 percent/15-foot rule. They acknowledged that that exceeds what is currently allowed. Limiting building height to 250 feet and disallowing the 15 percent/15-foot rule would essentially result in the existing zoning. Commissioner Morisseau said she was open to limiting height to 250 feet for residential in the DT-MU but allowing the 15 percent/15-foot rule to apply.

Chair Hilhorst said she was amenable to that suggestion. Commissioner Walter said she would like the buildings to be lower but could agree as well.

Commissioner deVadoss voiced support for the staff recommendation in that it balances the tower spaces, floor plate size and open space requirements in a way that will influence a certain style.

The majority of the Commissioners agreed to limit residential building height to 250 feet and to allow the 15 percent/15-foot rule, and to limit office to 200 feet.

Ms. Wilma said the recommendation would be applied to the DT-MU, and the requirement for specific uses to be in the building, which is the C overlay, would be eliminated. The Commissioners concurred.

Mr. King noted that the recommendation of the CAC and the staff relative to the Deep B district was to continue with existing FAR limits for both residential and non-residential, but to allow increases in residential building height.

Chair Hilhorst said it was her understanding that a development agreement could be proposed with the Fortin Group that would allow for more height but no more FAR, and which would

bring about more open space to make the area more amenable to the neighborhoods. Mr. King said the staff recommendation would allow building height up to 160 feet for single tower projects, and the ability to go up to 240 feet, with a 200-foot average for multi-tower projects, by utilizing a development agreement.

Mr. King explained for the benefit of Chair Hilhorst that a development agreement involves more than just a notification. There is a public process involving the Council, and a part of the focus is on identifying public benefit. Chair Hilhorst voiced support for setting 90 feet as the trigger point for the development agreement process rather than 160 feet. Ms. Wilma added that the Spring District has a development agreement in place. Development agreements typically involve large multi-building projects.

Commissioner deVadoss asked if requiring a development agreement above 90 feet would simply be passing the buck to the process to resolve. Mr. King said a number of the scenarios shared with the Commission and the public for the Deep B have included buildings above 160 feet tall; those scenarios would, under the recommendation, trigger the need for development agreement. The open question is whether or not the trigger should be anything above 90 feet.

In response to the Commission, Mr. Kagle reiterated that the current height limit is 90 feet, and that is the threshold above which the development agreement process should kick in.

A motion to extend the meeting by 20 minutes was made by Commissioner Morisseau. The motion was seconded by Commissioner deVadoss and the motion carried unanimously.

With regard to the 160-foot limit on single towers in the Deep B district, Ms. Wilma said given the other restrictions, single-tower buildings will end up being quite slender. There are only a few single-tower sites in the district. If appointed, a technical advisory committee could be asked to weigh in on the economics of the 160-foot height limit.

Commissioner Morisseau suggested that a developer may want to build only a single tower, and noted that the decision to do so would mean limiting the height to 160 feet, even if all surrounding properties have towers averaging 200 feet. Mr. King allowed that a logical next step up for a single-tower limit could be 200 feet. Commissioner Morisseau commented that as proposed, the recommendation for 160 feet includes being able to use the 15 percent/15-foot rule. Ms. Wilma added that as written, the 15 percent/15-foot rule would be allowed even for the variable height towers.

Commissioner Morisseau stressed the need to employ consistent logic in developing rules, and the notion of limiting single towers to 160 feet while allowing adjacent towers up to 240 feet may not be consistent. A technical advisory group could help to determine if the logic is sound.

Commissioner Walter pointed out that the goal is for more slender buildings, which argues in favor of limiting single towers to 160 feet. Where there are multiple towers on a site that average 200 feet, they will also be narrower, allowing for the passage of light and air. She voiced support for the CAC and staff recommendation.

Commissioner deVadoss concurred. He also made the point that a technical advisory group could simply be another set of gates to pass through, making it impossible to meet the established timeline.

Commissioner Morisseau said she could support limiting single towers to 160 feet provided the 15 percent/15-foot rule is in play.

Chair Hilhorst said she would hesitate to allow the 15 percent/15-foot rule to apply to buildings at the 240-foot level. Commissioner deVadoss reiterated his support for the CAC and staff recommendation.

Commissioner Morisseau pointed out that the 15 percent/15-foot rule, when applied to single towers at 160 feet, would yield a structure that is 184 feet tall. If the limit were set at 175 feet rather than 160 feet, the rule would allow buildings to reach up to 200 feet. Ms. Wilma commented that there would still be some buildings at 160 feet in multiple-building projects, and that there would be some 175-foot single towers, and still other buildings allowed up to 245 feet or so.

There was agreement to move forward with the staff recommendation with modification for a development agreement for buildings above 90 feet.

10. PUBLIC COMMENT - None

11. ADJOURN

Before adjourning, Mr. Cullen briefly outlined the schedule of upcoming meetings and pointed out the need to add a meeting in May and another in June to the regular Commission schedule. He said the details were yet to be worked out.

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

Chair Hilhorst adjourned the meeting at 10:49 p.m.

CITY OF BELLEVUE  
BELLEVUE PLANNING COMMISSION  
STUDY SESSION MINUTES

April 27, 2016  
6:30 p.m.

Bellevue City Hall  
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chair Hilhorst, Commissioners, Barksdale, Morisseau, Walter

COMMISSIONERS ABSENT: Commissioners Carlson, deVadoss, Laing

STAFF PRESENT: Terry Cullen, Department of Planning and Community Development, Carol Helland, Patricia Byers, Development Services Department

COUNCIL LIAISON: Not present

GUEST SPEAKERS: Shannon Bingham, Jack McCloud, Bellevue School District

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:35 p.m. by Chair Hilhorst who presided.

2. ROLL CALL

Upon the call of the roll, all Commissioners were present with the exception of Commissioners Carlson, deVadoss and Laing, all of whom were excused.

3. APPROVAL OF AGENDA

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

4. SPECIAL GUEST SPEAKER: BELLEVUE SCHOOL DISTRICT SENIOR STAFF

Shannon Bingham, a school planning consultant for the Bellevue School District, said he does all the enrollment forecasting, growth monitoring, long-range planning, and specialized program relocations for the district. He shared with the Commission a rendering of the new elementary school to be constructed in the Wilburton neighborhood. He said he is currently working with stakeholders regarding the boundaries for the school, and possible changes for the middle and high school feeders associated with the school.

Mr. Bingham said the forecast is for the Bellevue School District to reengage its historic high 1969 enrollment level of 24,000 students in about eight years. The district has been growing by some 550 students every summer for the past few years. Many families are moving into existing housing, though families are also moving into the downtown and are expected to move into the Spring District. The general trend is for families to move into multifamily housing. On average, two and a half single family homes generates one student; three and a half duplex, triplex and

fourplexes generates one student; nine garden apartments generate one student; and 40 units in stacked highrise developments generate one student. The big highrise projects in the downtown usually have between five and 15 students living in them. In planning for future district needs, it is necessary to stay on top of the total number of units of each type in the city.

Enrollment growth has been strong over the last three or four years. Existing neighborhoods in areas such as Somerset, Eastgate, Newport Heights and Stevenson are seeing a lot of what is called flipping in which retirement age residents are selling their homes to younger families. In neighborhoods where there are virtually no new housing projects, the district is seeing student growth happening from the existing housing stock. Students are also expected to come from the city's five major areas that are forecast to grow, namely Bel-Red, downtown, auto row, Factoria and Eastgate; each of those areas will be a hub for the multifamily housing. In the Stevenson area where there is a lot of low- and moderate-income housing, there are families moving in specifically so they can put their children in the Bellevue School District.

Mr. Bingham said land limitations mean there likely will be no new high schools built. The \$125 million project to upgrade Sammamish High School is just about completed. The capacity there will be about 1850 students which in the near term means there will be room for some 600 new students over the present enrollment level. Ten classrooms are also being added to Newport High School. Consideration is being given to adding portables to the Interlake High School campus. There are already five portables at Tyee Middle School and quite a few at Newport High School on a transitional basis.

Mr. Bingham stressed the need for the district and the city to work together to understand how many students will be produced by the new multifamily units in the heart of the city. Part of the equation will be knowing the makeup of the units; some may be for adults only, while others may be priced out of the range of families, and still others may have bedroom counts that do not work for families.

On average, Bellevue High School starts with 92 students in the ninth grade that have not previously been in the district; Chinook Middle Schools sees 75 new students every year, none of which have been in the district before. The same is true at Tyee Middle School, which saw 52 new students start the school year, and at Interlake High Schools where students at all three levels are coming into the gifted program from other school districts. The trend is called a market-driven growth phenomenon, something that is rare nationally where growth is primarily housing related.

Commissioner Barksdale asked what role private schools play. Mr. Bingham said Bellevue has fewer private schools relative to other school districts. There are schools that offer certain education products, including the International School where every year only about half of those who apply get accepted. The district's market share is very high relative to other school districts. Commissioner Barksdale asked if that is projected to continue to be the case in the coming years. Mr. Bingham said the projection is for the market share to remain about the same.

Mr. Bingham said 39 percent of the families moving into multifamily housing units are new to the district, whereas only 26 percent of the district's existing families are in multifamily housing.

The district has six properties that at some point will see some evolution: Three Points near SR-520 close to the bridge; Wisk, which is currently is home to an education support facility; Highlands; Ivanhoe; and the two swing schools Bellewood and Ringdall. Collectively, the properties serve as the district's ace in the hole for addressing future growth, particularly given that land is very expensive and there is little vacant land in the city to work with. Economics will

prevent the district from locating a pedestrian school in the Bel-Red corridor near the light rail station and near the new housing units that are set to come online.

Mr. Bingham said the district has received some excellent data from the city regarding various study areas relative to new housing and job growth. Given the redevelopment potential in the Bel-Red corridor, the district expects to see at least another 1000-1200 students depending on whether or not the housing there will be aimed at the workforce or if it will be welcoming to families. Help is needed in better understanding what the area will ultimately look like.

Chair Hilhorst asked if the district has the capacity to support all of the students in the forecast. Mr. Bingham said the district has funding for another elementary school that would probably be able to serve the Bel-Red corridor. There also will be some excess capacity at Odle Middle School and Highland Middle School when those facilities are rebuilt. The unknown remains how many students per housing unit will be generated and the district needs assistance in projecting what the character of the units will be before the student impacts can be modeled. Timing will also be an issue given that housing will come online faster than the schools will be built out or added, and the district needs help in understanding what the annual absorption will be.

Jack McCleod, director of facilities operations for the Bellevue School District, said he oversees all maintenance and operations of the physical plants as well as all capital projects. He said the Enatai Elementary School project is scheduled for completion in August; the same is true for Odle Middle School. Demolition and rebuilding is set to begin in July at Tillicum Middle School, with completion set for August 2018. Sammamish High School redevelopment has been under way since 2014 in various stages; the students and staff have had to be moved around to accommodate work on different sections of the building. Bennett Elementary School is scheduled for a demolition and rebuild beginning in July and completion by August 2017. The new Wilburton Elementary School, adjacent to the Educational Services Center is on a vacant property the district has owned since 1972, has run up against some issues during the conditional use process and concerns voiced by the neighborhood; the schedule for the project will need to slip by a year from the original completion date of August 2017. The current construction boom citywide has also resulted in taking longer to obtain all necessary permits for construction projects.

All of the projects are funded with the exception of Newport High School. At the time Newport High School was rebuilt in 2004-2005, the school board acted cautiously and focused on maximizing the existing buildings as well as adding some new spaces. Consequently, the gym was not replaced and it remains inadequately sized for the student population. Some other spaces are also limited by the kinds of structures in place that had to be worked around. The last bond measure included funding for ten permanent classrooms at Newport High School. As the planning work got under way, several groups came out to highlight the need for space or music programs, PE programs, and other programs. The school board directed the architect assigned to the project develop a master plan and the preliminary results from his work should be ready soon. Additional funding may be needed to accomplish the additional tasks.

Mr. Bingham said the district would like to look toward being more scientific in addressing the rapid growth environments of Bel-Red and the downtown. To do that it will be necessary to continue receiving updated jobs and housing forecasts from the city which the city has very generously provided. Additionally, data is needed about the pace of infill development, renovations, the house flipping phenomenon, and how new units will be stratified by dwelling type and zoning density. The district is also interested in understanding geographically specific density to know which side of school boundary lines certain projects might land on. The desire is for the city and the district to work together in developing a contact information database. The

district continues to face challenges with respect to finding cost-effective land.

Chair Hilhorst pointed out that the Commission has a number of significant projects on its plate for the year, the majority of which involve increased density. She asked at what point Bellevue's density increases will outstrip the district's ability to handle the load. Mr. Bingham said there are virtually no vacant classrooms in the system currently. There are, however, numerous construction projects under way, most of which are adding some capacity. It would be very helpful to over the next nine to 12 months work on developing a data resource that focuses on what will be coming down the pike in the next decade, and to clarify what the densities will be and where the density will be located. A future bond election will likely be needed to add additional capacity. Affordable housing is also of great interest to the district, both for teachers and families.

Comprehensive Planning Manager Terry Cullen pointed out that the city's demographer Gwen Rousseau works with the School Board on a regular basis. He urged the district representative to put in writing any additional data needs they have so they can be more readily addressed.

## 5. PUBLIC COMMENT

Ms. Cathy Louvier, a resident of Bellevue Towers, reiterated her concern about policies being applied in a seemingly discriminatory manner. In particular, perimeter residents were promised that no building higher than five stories would be built across from them. In contrast, downtown Bellevue residents do not enjoy the same protection. The fallout is evident in the Lincoln Square expansion and the Center 425 building construction. The new buildings are blocking the views of residents who live in Bellevue Towers. Several photos were shared with the Commissioners, including a before and after picture. She allowed that when she moved into Bellevue Towers she was informed that there would in the future be two tall towers as part of the Lincoln Square expansion, but that there would be a gap between them. That is the way the development is progressing, but from Bellevue Towers the view between the two towers is being taken up by the Center 425 building. She said she assumed that because the Center 425 building would only be 16 stories tall, her views from the 21st floor of Bellevue Towers would not be impacted, but the geography of the downtown makes the 16th floor of Center 425 higher than the 21st floor of Bellevue Towers. While change is inevitable, downtown Bellevue residents should be given the same considerations the people on the perimeter enjoy. There should be notification of any construction that would impact residents of the downtown.

Ms. Michelle Wannamaker, 4045 149th Avenue SE, thanked the Commission for arranging to have the school district provide an update. She noted that the first residents will be moving into the Spring District later in the year, a full seven years before light rail will be available. The vision of walking or taking public transit to and from the Spring District is wonderful, the reality will be much different. Recently it was announced that REI will be moving its headquarters from Kent to the Spring District in 2020, three years before light rail comes online. Covington and Maple Valley are popular locations for Kent workers to live. With Highway 18 running through Covington, there is a good chance that workers will use the highway to get to westbound I-90, and from there the shortest route to the Spring District is to get off at Eastgate Way and work north on surface streets. An unknown number of the 1100 REI workers will be coming through Eastgate every weekday. Traffic in Eastgate is terrible but it will get far worse before it gets better once light rail arrives in the Spring District. The fact that the city is making plans to make the Eastgate corridor traffic even worse says to the existing residents and those who already travel through the area that the city does not care about them. With regard to rezoning the Eastgate RV park site, a resident recently said her family avoids the entire area between 3:00 p.m. and 7:00 p.m., and said her husband often waits on eastbound I-90 for between 15 and 20

minutes during the evening peak because of all the cars trying to get onto I-90 eastbound. King County Metro on April 25 presented an overview of its draft long-range plan to the City Council. It was clear that a huge amount of growth is planned by 2040. A Councilmember asked how it would all be paid for and the answer given was that the expected growth of one million more people will generate increased sales tax and real estate taxes. It was noted, however, that how to pay for it was not in the scope of the project, leaving questions about the feasibility of the project unanswered. The plan included a lot of growth in 2040 with completion of light rail to Issaquah. There are unanswered questions as well about what will happen with the Eastgate park and ride. Metro will host an open house on May 11 and will be taking public comment on the plan until May 20.

Mr. Todd Woosley with Hal Woosley Properties, PO Box 3325, spoke on behalf of the Kramer family, owner of the Eastgate RV site. He also thanked the Commission for having the school district discuss its plans. He added that the Transportation Commission, of which he is a member, is also looking at data-driven solutions. It will take everyone working together to accommodate growth at all levels. With regard to the transit-oriented development site adjacent to the park and ride and Bellevue College in the Eastgate/I-90 corridor, he asked the Commission to consider that the NMU site is multimodal oriented. The improvements planned for I-90 are what will break things free. The intersection of SE 30th and 150th Avenue SE is on the city's transportation plan and the Transportation Commission would like to accelerate the funding and construction of the project to coincide with the I-90 improvements. The freeway improvements were not envisioned in the Eastgate/I-90 plan but the state legislature has stepped up and funded it to add an additional lane in each direction to both handle additional trips and help to clear out the Eastgate area backups. The Mountains to Sound Greenway will run essentially past the front door of the NMU and the ability to bike or walk to the Eastgate park and ride will be opened up. There is also an existing private park and ride at Crossroads Bible Church that accommodates hundreds of T Mobile employees. With all that in mind, coupled with the economic feasibilities of what it takes to get something done, the FAR for the RV site should be greater than what was envisioned in the 2010 plan. Times have changed. The city can expect to see very little new single family homes built. Most new residents will be housed in multifamily units. One way to address that will be to allow additional multifamily housing to be built where possible both as a way to accommodate growth and to improve affordability. Before any decisions are made relative to FAR in the transit-oriented development are or other areas, a robust economic impact analysis should be done.

Ms. Maryanne Lee, 11627 SE 68th Street, also thanked the Commission for seeking input from the Bellevue School District on the topic of student crowding and the way it is affected by zoning and rezoning. On behalf of parents at Jing Mei Elementary School and the Jing Mei PTSA, she pointed out that Newport Heights Elementary School, which is quite new, already has one portable on site and is scheduled to receive two more. Every house in the neighborhood that has sold recently has been sold by empty nesters and purchased by families with children. The school is already at capacity. The neighborhood is already dealing with and is concerned about increased traffic during school hours. Many Newport Hills Elementary School kids walk to school and it will be dangerous to have people running through intersections trying to get to work. Rezoning the Newport Hills retail area to allow multifamily housing will increase the number of families in the area. The neighborhood understood originally that new housing there would be in the form of a retirement community. Newport Hills and Jing Mae parents also use the current businesses in the Newport Hills retail spaces, and have been disappointed to learn that they would not be allowed after the area is being rezoned. The parents do not want the shopping center site rezoned to include multifamily housing.

## 6. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCILS,

BOARDS AND COMMISSIONS – None

7. STAFF REPORTS

Mr. Cullen briefly reviewed with the Commission the meeting schedule and agenda items for the months of May, June and July. He proposed conducting a meeting on May 11, with a start time of 6:30 p.m.; a meeting on May 25, with a 4:30 p.m. start time, followed by a break at 5:45 p.m., and an additional session beginning at 6:30 p.m.; a meeting on either June 1 or June 15 focused only on the plan amendment threshold public hearing, with a 6:30 start time; an open house on June 8 starting at 4:30 p.m., followed by a session at 6:30 p.m.; a meeting on June 22, possibly held in the Eastgate area, with a 4:30 p.m. start time; a meeting on July 13 with a 6:30 start time; and a meeting on July 27, also with a 6:30 start time.

x

Chair Hilhorst asked staff to send an email to all Commissioners as soon as possible to get input on whether or not the additional meeting in June should be scheduled for June 1 or June 15.

Mr. Cullen said for the meeting in Eastgate, the South Bellevue Community Center and Eastgate Elementary School are two possible locations.

Mr. Cullen also reminded the Commissioners about the neighborhood conference slated for Saturday, May 21.

8. DRAFT MINUTES REVIEW - None

9. PUBLIC HEARING

A. Expansion of Floor Area Exception for Assisted Living Uses Through Provisions of Affordable Housing

Land Use Director Carol Helland called the attention of the Commissioners to the staff report in the Commission packet and noted that the issues had been analyzed vis a vis the decision criteria in the Land Use Code for amending the text of the Land Use Code. She pointed out that a SEPA determination had also been provided. The proposal is to enable a density increase in the BelRed and Downtown subareas where residential density is governed by FAR; where the FAR Amenity System currently does not apply or provide for an affordable housing incentive; and where assisted living, congregate care and nursing home uses are permitted.

Continuing, Ms. Helland said Aegis Living is the entity that requested the change. They are seeking an increase in the base FAR from 1.0 to 2.0. The City Council directed the Commission to explore exempting the additional FAR consistent with the way amenities are treated elsewhere in Bel-Red and the downtown. The change would apply to the land use categories that include assisted living, congregate care and nursing homes. The only areas currently that measure density according to FAR as opposed to a unit count are the Bel-Red corridor and the downtown. The ordinance would allow excepting up to 1.0 FAR, which means it would not be counted, through the provision of housing or by payment of a fee in-lieu.

Ms. Helland noted that the topic of FAR is part of the current discussion regarding the Eastgate corridor and she asked if the change would apply there as well. Ms. Helland said the Council direction was to look at the issue citywide. The reason why Eastgate is not included in the proposed amendment is because a framework for measuring density by FAR has not yet been worked out for the Eastgate corridor. The excepting provision will be factored into that discussion as the Eastgate provisions move forward through the process. The framework for

measuring density by FAR is already in place in Bel-Red and the downtown, making it easier to insert the proposed change into the code.

Ms. Helland said as proposed, the on-site recommendation would except up to 1.0 FAR of affordable assisted living, congregate care and nursing home uses. In Bel-Red, FAR is used for governing residential density in both the BR-MO and the BR-OR districts, subject to the negotiation of a Council-approved development agreement. In the downtown in any district where the uses are allowed, they could get excepted up to 1.0 FAR based on the terms of Council-negotiated development agreement. That is because a fee in-lieu needs to be determine on a site-by-site basis. Because of the service needs attached to assisted living, the fee in-lieu would be variable for different types of projects.

For the provision of affordable housing off-site, FAR up to 1.0 would be excepted under the proposal. The exception can also be the result of a payment of a fee in-lieu. In Bel-Red the fee in-lieu rate has already been identified. In the downtown the rate would have to be negotiated through a development agreement.

Commissioner Walter said the term “fee in-lieu” means to her “not here, not now.” It means something will be built somewhere else some other time. She asked how the fees in-lieu are tracked once they flow into an account; if there is any requirement for the money to not age past a certain amount of time; and if there is any geographic nexus between the project that produced the fees and where the affordable housing units are constructed. She said she would like to see a limit on the fees in-lieu that can be collected before previously collected fees are allocated to a project. To hold the fees and then spend them somewhere else would also not address the diverse socioeconomic populations that should be targeted.

Ms. Helland said there are two financial mechanisms for collecting money and holding it for the purpose of developing projects. Under the Growth Management Act, the mechanism of impact fees is aimed at the building of fire and park facilities as well as transportation infrastructure. Impact fees are a creature of state law that require a rough proportionality and nexus test to ensure the funds are used within a certain amount of time and in the general area where the project contributing the funds is built. The fee in-lieu mechanism is an amenity system choice developers can make to provide benefits to the jurisdiction for extra things, not things that are necessary to support the infrastructure of the contributing development; rather fees in-lieu are a mechanism to build capacity and leverage development to achieve things that would not otherwise be achievable through a straight permitting process. As a result, fees in-lieu do not have the rough proportionality and nexus test attached to them. The funds are managed in a way that addressing generally accepted accounting practices, but there are no limits on the expenditure of funds within a certain time frame or geographic area.

Commissioner Walter said she would like to see fees in-lieu collected for the provision of affordable housing allocated as soon as possible for concrete projects.

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

Mr. Todd Woosley with Hal Woosley Properties, PO Box 3325, noted that Chair Hilhorst and Commissioner Walter had raised during the staff report the two questions he was interested in bringing up. He commented that in general adding housing supply and lowering housing cost is fundamental to meeting the goals in Bellevue. Doing incentives right is a good thing and the proposed approach should be extended to the multifamily districts in the Eastgate/I-90 corridor as well as Crossroads and Factoria at the appropriate time. If the intention is to yield affordable

units, everything that can be done should be done to get them. There could be potential impacts in the downtown, however. It is known that while the area is not projected to exceed the adopted levels of service, by 2030 the time of delay at intersections will double what it is presently and the experience of getting through the downtown will take twice as long, even though the build out will not be to current FAR limits. There should be some assurance that when a developer purchases an additional 1.0 FAR in exchange for affordable housing units, the units should be built in a timely fashion, and when they are brought online, consideration should be given to what impact on mobility they will have. The same should be considered for all other areas of the city. A robust transportation infrastructure is needed in order to accommodate the additional trips generated by the developments.

Ms. Nancy Bainbridge-Rogers with Cairncross & Hemplemann, 524 2nd Avenue, Suite 500, Seattle, spoke on behalf of Aegis Living. She voiced support for the proposed Land Use Code amendment to allow additional floor area for assisted living, as particular to the Aegis Living property in the BR-MO zone as well as in the downtown and throughout the city as appropriate. The amendment represents a true win-win in terms of helping to provide housing for Bellevue's aging population while at the same time providing either affordable housing units or fees in-lieu. The staff report provides an excellent comprehensive summary of the history of the request and the benefits that will flow to the Bellevue population. The fee in-lieu approach is very important to making the program work, particularly for assisted living units. Assisted living involves more than just a residential unit, it involves a range of services. There are tiered levels of services that depend on the medical needs of residents that make providing an affordable housing unit within an assisted living facility very difficult if not impossible. Assisted living facilities typically create very few traffic impacts given that the residents for the most part do not drive. The average age of an Aegis resident is 82, and the residents are in an assisted living facility because they do in fact need assistance with their daily lives. The Commission was urged to take action to advance the code amendment to the City Council for action.

Commissioner Walter pointed out that the elderly need affordable housing in assisted living facilities. The costs of senior housing are extraordinary, a fact many are finding out as they age. Access to an assisted living facility should not necessarily depend on how much money one has managed to save during their life.

Chair Hilhorst asked about the issue of impact fees, which go for fire, police and safety. She asked what why there is a need for fees in-lieu where impact fees are involved. Ms. Bainbridge-Rogers drew a distinction between public services offered by the fire and police departments and private services offered by Aegis Living staff to the residents. Chair Hilhorst commented that by virtue of the age of the residents, assisted living facilities are high call facilities for fire and paramedics. Ms. Bainbridge-Rogers agreed, but stressed that fees in-lieu do not go to address those services, rather they flow to a fund that is used for the construction of affordable housing units for the community at large.

Commissioner Barksdale asked what percentage of assisted living costs are due to boarding alone. Walter Brown, senior vice-president of development for Aegis Living, explained that there is a base rent for housing, but that housing includes maid service, food, entertainment and other things. Separate from that, each resident has a medical assessment that determines their level of care, the fees for which vary based on exactly what is needed. In general, the costs for care exceed the cost of the rent.

Commissioner Barksdale asked if a reduction in the base rent could be applied as an affordable housing action. Mr. Brown allowed that while a discount could be provided for the rent of the physical room, but not for the food, the maid service, the entertainment, and certainly not for all

the medical services. That is what makes it difficult to calculate what an affordable housing rate should be. The planning staff saw that problem and came up with the notion of a fee in-lieu, all of which would go toward the provision of affordable housing.

Commissioner Barksdale asked what costs for assisted living residents are typically covered by insurance of one form or another. Mr. Brown said residents with private long-term insurance can use the funds they collect for their rent or for their other expenses.

Mr. Patrick Bannon, president of the Bellevue Downtown Association, 400 108th Avenue NE, Suite 110, commented that the proposed code amendment was identified by the Council in recognition of a particular imminent opportunity in the BR-MO zone. However, it has been translated to having an application in the downtown as well. While that may be fine, consideration of the bonus related to FAR should be considered as part of the Downtown Livability Initiative review of the amenity system. It likely was not the intent of the Council to move the issue ahead of the Downtown Livability Initiative and the incentive zoning process. He stressed that his objection to application of the amendment in the downtown should not be construed as opposing the amendment for the BR-MO zone. The Commission could seek clarification from the Council or staff about the need to move it forward in both areas simultaneously.

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

## 10. STUDY SESSION

### A. Expansion of Floor Area Exceptions for Assisted Living Uses through Provisions of Affordable Housing

Chair Hilhorst said there is no question about the need for facilities like the one proposed by Aegis Living, and noted that no one had questioned the proposed location in the BR-MO. She agreed with the point made by Mr. Bannon that moving the amendment forward was not dependent on being included in the amenities for the downtown area and suggested holding the issue aside relative to that area might make sense.

Commissioner Morisseau asked staff for their opinion relative to the fee in-lieu rather than having affordable units constructed as part of the development. Ms. Helland said the conclusion reached by staff after reviewing the request mirrors the position of Aegis Living. Additional economic details were reviewed and the conclusion was that the variability of care does not lend itself to discounting in the same way straight affordable housing is calculated. The proposal represents an early win on the affordable housing strategy. In return for allowing some additional FAR, the city will through the fee in-lieu gain funds to be used to develop affordable housing units.

Mr. Brown said the fee in-lieu has been calculated to be about \$960,000.

Ms. Helland allowed that the proposed amendment is not the perfect solution for addressing how to get affordable housing for seniors that need care. The Commission will be looking at a broader range of affordable housing strategies once the study is kicked off later in the year. By moving forward as proposed, the city will gain nearly a million dollars it would not otherwise have to put toward affordable housing.

Commissioner Morisseau asked if the fees in-lieu will be specifically reserved for affordable

housing to serve the city's aging community. Ms. Helland said the funds will be reserved specifically for affordable housing but not just for senior housing.

Chair Hilhorst pointed out that if the funds flow to ARCH, the resulting affordable units may not necessarily be located in Bellevue. Ms. Helland said it is true the units could be located in any Eastside community served by ARCH. Bellevue works in partnership with ARCH to get affordable units placed regionally where opportunities arise.

Commissioner Walter said the opportunity to receive nearly a million dollars towards affordable housing would be hard to turn down. However, the fees in-lieu may or may not be used right away and may or may not yield affordable units in Bellevue, let alone near the project that contributes the funds. Affordable housing is needed right away. Without requiring the units to be constructed on-site, without saying the funds must be used within a certain period of time, and without saying the funds must go to produce affordable units within a certain distance of the contributing project, the city will be moving very far away from the stated goal of building affordable housing.

Chair Hilhorst asked if the Commission could include a stipulation for the fees in-lieu in to be utilized within the boundaries of the city, or within the geographic area of where Aegis is looking to build, or for the fees to be used to create affordable housing for seniors. Ms. Helland said the Commission has the authority to make any recommendation to the Council. The recommendation of the Commission can be made in the form of code language, it can be included in the transmittal memo to the Council as a recommendation to seek a better nexus and rough proportionality to the usage and spending of funds when doing the housing strategy work. She recommended taking the latter approach. Experience has shown that attempts to earmark funds often makes the funds less usable by not being able to apply them to immediate opportunities. If the Commission prefers to change the proposed code language approach, additional study would be warranted to avoid any unintended consequences.

Commissioner Walter reiterated that her intended consequence would be the provision of affordable units at the same time the buildings goes up and in that building. Additional study will mean more time will go by. People are aging out of their homes and they are going to need housing and services they can afford. Little has actually been said about affordable housing for the aging. Ms. Helland agreed that the concern should be communicated to the Council. She added, however, that she did not want to suggest that affordable housing for the aging is not already happening. The way the code is structured, it awards developers more profitably by putting affordable housing on site. In the case of assisted living, congregate care and nursing homes, however, the service dimension makes doing so challenging. There are currently several hundred units of Senior Housing Assistance Group (SHAG) housing under construction in Crossroads, and 53 units of affordable housing was recently brought online by Imagine Housing in the Belgreen project in the Bel-Red corridor.

Commissioner Walter said she did not understand how the Aegis Living units could not be made more affordable by lowering the actual room rent by a percentage for residents of lower incomes, keeping services separate from the calculation. She agreed some creative thinking would be required, but suggested that it can be done. If fees in-lieu are collected and Aegis Living goes ahead with its project, prices and costs will go up, but the amount of fees in-lieu will remain the same.

Commissioner Barksdale agreed and said he would like to see Aegis Living come up with some ideas about what Commissioner Walter's suggestion might look like to be used as a comparison. Ms. Helland said the code mechanism for making that happen already exists. The developer can

gain the benefit of the additional FAR by paying a fee in-lieu, or the developer can buy up to the FAR based on a development agreement that negotiates the specifics. The result may be as low as a single affordable unit. Commissioner Barksdale said if the matter is held over for further study, he would like to see Aegis Living weigh in that the approach proposed by Commissioner Walter.

Commissioner Morisseau agreed with Commissioners Walter and Barksdale. She said it was interesting to her to hear more emphasis placed on putting the million dollars into the coffers rather than on the intent to provide affordable housing for the aging population. Ms. Helland said the intent is to raise funds and provide affordable housing in any creative way possible to serve the populations across every spectrum of age, ability and circumstance. Commissioner Morisseau said she would like to see the affordable units provided at the same time Aegis Living builds its project. The issue of affordable housing generally will be tackled later in the year, and it appears the Commission is being asked to make a decision way ahead of the curve.

Chair Hilhorst clarified that the proposed ordinance will provide care for an aging population that needs assisted living. If the Commission does not give direction to proceed, there is a risk of the project not going forward. Ms. Helland said it has been stated that the amendment needs to be completed by June. If it is not completed by then, the opportunity will pass. Chair Hilhorst said one approach would be to include in the transmittal the concerns voiced by the Commission about the fees in-lieu going elsewhere other than the property, and to state that changes in the approach should be sought before applying the process to any other area of the city, including the downtown.

Mr. Cullen said he serves on the staff team that is working on the affordable housing strategy. The schedule for that work is very aggressive. A technical advisory group has been appointed and the 15 members all have expertise in the provision of housing. An education workshop is being planned, and a needs assessment has been put together. The Council wants by the end of the year an assessment of the potential tools and recommendations from the experts as to what makes sense. A consultant will be brought on board to help develop a tool to evaluate the various tools. He said the concerns about the assisted living piece are well taken given the coming silver tsunami as the Baby Boom generation ages. It is the service provision element that creates the challenges. It will not be possible to fully address the issue with the proposed amendment. The amendment does, however, seek to take advantage of an opportunity.

Ms. Helland said the Commission could elect to move forward with the Bel-Red piece independent of the downtown piece, leaving the latter to either the Downtown Livability Initiative amenity conversation or the broader affordable housing conversation. Because the proposed amendment includes two sections, one applicable to the downtown and one applicable to the Bel-Red area, the Commission could recommend that only the Bel-Red section be moved forward.

Asked who would agree to removing the downtown portion of the amendment, all but Commissioner Walter raised their hands. Asked who was not comfortable giving direction to move forward with the ordinance as proposed but for the Bel-Red area only, all but Chair Hilhorst raised their hands.

Commissioner Barksdale said he would like to have more data useful for analyzing situations, not just in terms of how the fees in-lieu might be used but specifically an example of how a development agreement might be negotiated to put some amount of affordable housing in the physical facility in return for the FAR. Ms. Helland said staff could not easily put that information together, rather the request would challenge Aegis Living to put together a term

sheet that would be included in a development agreement for use in comparing allowing additional FAR in return for close to a million dollars, and allowing additional FAR in return for including X number of affordable units.

Commissioner Morisseau agreed with the request made by Commissioner Barksdale. She added that she would like to see information about how the fee in-lieu process is currently used and how effective it is. She said if the Commission decides to go with the fee in-lieu option, she would also like to understand the timeframe involved in getting actual affordable units built, and how the funds can be used to build affordable units in Bellevue.

Commissioner Walter concurred with the comments made by Commissioners Barksdale and Morisseau. Having the data side by side would be very helpful. She said it would also be better to be able to differential between assisted living affordable housing and something what SHAG offers.

Chair Hilhorst reminded the Commissioners that there is a financial opportunity for the city on the table that could be lost. Commissioner Walter said the financial opportunity is for ARCH and the Eastside, not necessarily for Bellevue. Chair Hilhorst said there is both a financial opportunity but also the opportunity to have an assisted living facility located in Bellevue. Ms. Helland clarified that Aegis Living has an approved permit to build to the maximum FAR allowed in the BR-MO. Absent approval of the proposed amendment, the project could still be constructed, but no additional FAR would be allowed or built, and the city would receive no fees in-lieu.

Mr. Brown confirmed that the project in its current design configuration has been approved to proceed to the building permit phase with an FAR of 1.0.

Ms. Helland sought clarification from the Commission regarding the downtown area. She was directed to bring back the amendment as it relates to Bel-Red only, and to take up the issue relative to the downtown as part of the Downtown Livability Initiative amenities system. Ms. Helland said she would work with Aegis Living and ARCH to respond to the other questions raised.

**\*\*BREAK\*\***

#### B. Eastgate/I-90 Corridor Implementing Regulations

A motion to extend the meeting to 10:30 p.m. was made by Commissioner Walter. The motion was seconded by Commissioner Barksdale and the motion carried unanimously.

Mr. Cullen stated that the work done to date by the Commission relative to the Eastgate/I-90 corridor has been focused on essentially creating three new zoning districts in order to implement the Eastgate land use and transportation project. The Neighborhood Mixed Use and Office/Limited Business 2 zoning districts have already been discussed, leaving only the Transit-Oriented Development district. Once completed, the code amendment will create all three zoning districts with requirements for each relative to land uses, bulk, height and dimensional requirements, and design standards. The overall package of proposed amendments will be ready for review at the Commission's May 25 meeting, along with any unresolved issues. An open house has been scheduled for June 8.

Mr. Cullen said the work of the Eastgate/I-90 CAC represents an enormous amount of work that took a couple of years to complete. The Eastgate subarea plan was put into the Comprehensive

Plan with provisions that that included elements of the study. Additionally, the city's transportation department used the document to conduct modeling and transportation planning.

The CAC recognized in its study that Eastgate has a history of being a strong employment center. At one time, it was actually a stronger market for office than was the downtown. However, it lacks the amenities and conveniences needed to make it competitive with other areas as demands have changed. The CAC concluded that by creating a transit-oriented development district, the future viability of the area could be maintained.

Mr. Cullen noted that there is little capacity to accommodate for office growth in the area given that the land is already developed and the current zoning constraints. The maximum FAR for the districts is 0.5. The area has relatively poor transportation connectivity, but according to the CAC, additional growth could be accommodated with modest improvements. Multimodal options and land use mixes that create greater internal trip capture will be needed.

Transit-oriented developments are often centered in areas that already have dense development patterns. They are people-oriented; allow for transit and other types of transportation; enjoy a variety of uses; and deemphasize cars in favor of walking and biking. Transit-oriented development is not a new concept; they are actually in use around the globe, particularly in increasingly urbanized areas. The expectation is that 80 to 90 percent of the global population will be in urban centers in the future. The issues being faced in Bellevue are being faced on much larger scales in cities around the world. Transit-oriented development areas improve the utilization of governmental infrastructure, and they provide a different level of product for office and residential. Developers are attracted to transit-oriented development because they offer more and new opportunities. For office occupiers, the draw is labor force accessibility, flexible work spaces, and retail tenants and increased opportunities. Overall, transit-oriented development creates a different market that is appealing in many different ways.

Mr. Cullen said *The Death and Life of Great American Cities*, a book by urban sociologist Jane Jacobs, was published in 1961. The author's take was that vibrant cities only flourish when the physical environment is diverse and that four conditions are required: 1) city districts must serve more than two functions so that they attract people with different purposes at different times of the day and night; 2) city blocks must be small with dense intersections that give pedestrians many opportunities to interact; 3) buildings must be diverse in terms of age and form to support a mix of different income levels; and 4) districts must have a sufficient density of people and buildings. Recently, a big data mining exercise relative to six cities in Italy tested and validated the four criteria.

The Commissioners were shown several examples of transit-oriented developments, including examples in Chicago, Illinois; Santa Monica, California; Bogotá, Columbia; and Perth, Australia.

Mr. Cullen pointed out that the transit-oriented development area in the Eastgate corridor is small. He shared with the Commissioners a schematic drawing of the area from the CAC's final report showing the connections, the pedestrian-oriented streetscapes, and the hill climb connecting the area with Bellevue College. He noted that the slope between the transit-oriented development area and the college will serve as a strong visual element. The main street running east and west through the heart of the area will be a critical component; how the street is treated will determine whether or not the area will be activated.

Chair Hilhorst noted that there had been at one point talk of having the buildings in the area high enough to accommodate a walkway directly to and from the college, obviating the need for the hill climb. Ms. Byers said the concept was suggested as a possibility. Mr. Cullen added that from

a design perspective, skywalks are not always aesthetically pleasing.

Mr. Cullen explained that the transit-oriented development area extends eastward from 142nd Place SE but it does not run all the way east to 148th Avenue SE. The properties fronting 148th Avenue SE asked not to be included in the transit-oriented development boundaries. The current configuration within the boundaries is a very typical 90s-style office development. As envisioned, the main street runs east from 142nd Place SE and has wide sidewalks and planting strips, making it a very pleasant walk and accommodating to bicyclists. A pedestrian plaza will be located at the intersection with the hill climb. There will be opportunity for cars to use the road, and there possibly will be limited parking on one side of the street. The main street runs through the back of the building in which Intellectual Ventures is located, but of course that will occur only if the site is redeveloped. The roundabout will be moved to 146th Avenue SE to maximize the vistas and to create the opportunity for an event space.

Commissioner Morisseau asked if the sidewalk will be at the same level as the street. Mr. Cullen said the preference is for a curb and gutter, in part to meet the low-impact development standards. All ADA standards will be met as well. Commissioner Morisseau asked why consideration is being given to going without a curb along the pedestrian corridor but not in the transit-oriented development area. Ms. Byers said the pedestrian corridor is for pedestrians only and not for cars, whereas the transit-oriented development street will allow for cars to serve the ground-floor retail.

Ms. Byers referred to the use charts and noted that the only uses permitted in the manufacturing category were microbrewery and measuring, analyzing and controlling instruments. With regard to the recreation chart, she said she added library and museum as permitted uses. The concern over public assembly uses being too large for the transit-oriented development was addressed by including a footnote limiting the use to 20,000 square feet. Video arcade was also included as an allowed use. Other recreation activities were limited to health club, recreation instruction and gymnasiums by administrative conditional use, unless less than 8000 square feet, in which case an administrative conditional use permit is not required. City park as a use is the same as for every other district in the city, with the exception of the downtown.

Continuing, Ms. Byers suggested that hotels, motels and transient lodging should be permitted uses on the residential use chart. Chair Hilhorst said the argument previously made by the Commission was that transient lodging could include a homeless shelter, which is why a more stringent permitting process would be in order, particularly in what is intended to become a neighborhood. Ms. Byers agreed to retain the requirement for administrative conditional use for the use.

Commissioner Walter questioned whether or not group quarters, including dormitories and fraternal houses, should be a permitted use for the transit-oriented development. She allowed that the use makes sense on the college campus where security and the like are provided.

Commissioner Barksdale said a shift is taking place in terms of college and universities to expand housing beyond the campus boundaries. He noted that typically sororities have to be on campus, but fraternities are allowed to be off campus. Mr. Cullen said one of the development options that has been talked about is something like an apartment that might have four bedrooms and a common area designed to serve as affordable student housing.

Chair Hilhorst voiced concern over allowing anything that looks like or functions as a dormitory without supervision of the student residents. Ms. Byers said Bellevue College has been buying properties around the campus with an eye on providing housing. She added that the average age

of the students at Bellevue College is 27, most of whom are also working in conjunction with taking classes. That could translate into a far different mix from what might be seen at the University of Washington or Washington State University. Chair Hilhorst said even so, the transit-oriented development will be a neighborhood and families with small children probably would not want to locate next to a dormitory use.

Ms. Byers reminded the Commissioners that the criteria for the conditional use permit and the administrative conditional use permit are much the same; the review processes are different, and with the administrative conditional use permit, the final decision is made by staff. Additionally, each of the new districts will have design review for anything that goes in, and that process will address all of the impacts.

Commissioner Walter said any kind of dormitory housing that does not include some oversight could be a recipe for problems and unintended consequences. Chair Hilhorst agreed and said the use does not feel conducive to a family environment. Mr. Cullen pointed out that regardless of what kind of housing mix goes in to the transit-oriented development, it will have a strong Bellevue College influence. Student housing is considered to be affordable housing and there is a need for it, particularly close to the college. While behavior cannot be legislated, the use and design to influence behavior can be.

Commissioner Barksdale said families are accounted for throughout the majority of the city, and some care should be taken to consider the needs of college students as well. Chair Hilhorst disagreed. She said the place for dormitory student housing is on the campus. Any time there are too many people under one roof, problems will follow. The city can also have no influence over who moves into the buildings. The neighborhood that will be created should be protected.

Commissioner Walter pointed out that at Washington State University, dormitories are located on campus. Student housing off campus takes the form of apartment buildings. She said she was not aware of any college or university town where the dormitories are located off campus.

Ms. Byers said there are a variety of options that could be utilized in addressing the use, including size limits and the approval process.

With regard to the kind of student housing Bellevue College has talked about locating on the properties they have purchased near the campus, Chair Hilhorst said the plan calls for the construction of actual dormitories, possibly with some small retail uses on the ground floor.

Commissioner Morisseau asked if the group quarters use could be allowed through a process that is far more restrictive than just reviewing the design. Ms. Byers said the use could be allowed through administrative conditional use, which involves a more stringent review to address the impacts. Commissioner Morisseau said she understood the concerns voiced about allowing the use, but said she did not want to see the use excluded entirely because that would impact the college community.

Chair Hilhorst pointed out that if the use is allowed, there is no guarantee that the facilities will be built by Bellevue College, and the school will have no authority over it.

Commissioner Walter said her preference was to not allow the use at all, but if it is allowed, it should be through the conditional use permit process.

Chair Hilhorst pointed out that if dormitories and fraternal houses are allowed, they will be created by a private developer that will have no oversight of what goes on by the residents in the

building. Apartments are allowed, and nothing would exclude them from being occupied by students.

Commissioner Morisseau commented that to not allow the use at all would mean even Bellevue College could not build a dormitory in the district. Commissioner Walter agreed but suggested such a move by the college would be unlikely given the cost of land. If allowed with a conditional use permit, the college could choose to take that route should it choose to do so. Commissioner Morisseau said that would be her preference. She added that she could see no need to allow fraternal houses at all in the district.

There was agreement to exclude fraternal houses and to allow dormitories through conditional use.

Ms. Byers stated that congregate care, senior housing and assisted living is permitted in the transit-oriented development district as a residential use. Nursing homes as a use is not included because it is more of an institutional use that would not be appropriate for activating the area.

With regard to the resources chart, the only allowed use is veterinary clinic and hospital. In order to address the impacts, Ms. Byers suggested that any veterinary clinic or hospital be open only between 7:00 a.m. and 10:00 p.m., and that boarding and commercial kennels should be allowed only as a subordinate use.

Ms. Byers noted that some changes had been made to the services chart for the transit-oriented development district. She noted that child care services as shown on the chart was only a heading for family child care home in residence and child day care center. The family child care home in residence use was removed from being a permitted use because single family homes are not permitted in the district. With regard to repair services, Ms. Byers noted that Footnote 30 disallows outdoor storage. Under professional services, standalone emergency rooms was disallowed.

With regard to the transportation and utilities chart, Ms. Byers explained that park and ride lots throughout the city require a conditional use permit. In the original draft, the use was shown as requiring an administrative conditional use; that has been changed to conditional use permit for the sake of consistency.

Ms. Byers noted that the Commission had previously discussed allowing auto parking, commercial lots and garages only west of 142nd Avenue SE. She said staff intends to talk with King County Metro about their plans for the existing park and ride, and about how many students are currently using the facility. It is possible that having students park where they are supposed to park, or requiring them to pay to park there, will cause the students to choose to park on campus instead.

Chair Hilhorst said that information will be very helpful. She pointed out, however, that as Bellevue College continues to grow, it will tap out on places for students to park. The marketplace will probably step up to fill the gap. Ms. Byers reminded the Commission that the idea behind the transit-oriented development concept is to reduce the overall number of cars. Parking requirements within the district will be less stringent for that reason. Chair Hilhorst agreed but pointed out that the Eastgate park and ride serves far more than just the adjacent uses; it is used by residents of North Bend, Issaquah and Sammamish to park and catch a ride on a bus. Even assuming few people living in the transit-oriented development district will be driving, the park and ride facility will continue to be heavily used.

Ms. Byers noted that recycling center was included as a permitted use. She said the type of recycling center referred to is a lot that has containers where people can drop off items for Goodwill and the like.

The Commissioners were told that the issue of allowing showrooms for autos, trucks, RVs and boats will likely be addressed through a development agreement. Showrooms for motorcycles would be allowed without a development agreement because they are smaller. The development agreement process will address the impact issues and will require Council approval.

A motion to extend the meeting by 15 minutes was made by Commissioner Barksdale. The motion was seconded by Commissioner Morisseau and the motion carried unanimously.

Ms. Byers noted that Footnote 28 was added to the chart to prevent any type of drive-in in the transit-oriented development district.

Referring back to the services chart, Commissioner Walter commented that auto repair and washing services did not seem to be a good fit for the transit-oriented development district.

Chair Hilhorst pointed out that allowance is given to build parking garages in the district and suggested that it should be okay for a parking garage to include a car wash service. Commissioner Walter said she could see a car wash as part of a parking garage but not auto repair. Ms. Byers said she would look at limiting car wash uses to a certain size and requiring them to be a subordinate use.

Commissioner Morisseau pointed out that auto and truck showrooms are listed as being allowed in the district and asked why auto repair should not be included as part of those uses. Ms. Byers reiterated that while motorcycle showrooms are allowed, car, truck, RV and boat showrooms are allowed only through a development agreement. The showrooms are not the same as dealerships and probably will not even include outdoor storage.

11. PUBLIC COMMENT – None

12. ADJOURN

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

Chair Hilhorst adjourned the meeting at 10:36 p.m.