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 de Vadoss 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 de Vadoss 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.

BREAK

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 stepbacks to mesh with where the walls line up, and that could mean a 12-foot stepback rather than a 15-foot stepback.

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 if 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 chose 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.

Bellevue Planning Commission April 13, 2016 Page 16 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.

Terry Cullen

Staff to the Planning Commission

Michelle Hilhorst

Chair of the Planning Commission