

CITY COUNCIL STUDY SESSION

East Main Transit-Oriented Development – Supplemental Guiding Principles for the Planning Commission

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DIRECTION NEEDED FROM COUNCIL

ACTION Adoption of the East Main TOD Consolidated Guiding Principles

RECOMMENDATION

Adopt the proposed Consolidated Guiding Principles for the East Main LUCA process.

BACKGROUND & ANALYSIS

Background

The Vision

Council's vision for the East Main area is a transit-oriented development (TOD) district that leverages Bellevue's investment in East Link to create a vibrant neighborhood with its own identity apart from Downtown. The Council vision encourages walking, bicycling and transit use by providing mixed use development and adjacent street enhancements. The mix of uses will include residential, office, retail and hotel uses that support residents, workers, and visitors in the area. The retail uses are neighborhood-serving rather than "big-box" retail and are located on the ground level to provide easy access for pedestrians. Ample open space serves as an attraction for visitors and provides places for active and passive recreation throughout neighborhood.

Along Interstate 405 (I-405) and Main Street, the Council's vision includes development up to 300 feet in height that transitions to smaller-scale development near the Surrey Downs neighborhood. The Council's vision includes a new public street built between the Red Lion and Hilton Hotels from 112th and 114th Avenues SE to convey multimodal traffic and provide additional access to both parcels. The implementation of Council's vision began with the adoption of a Comprehensive Plan Amendment (CPA) and will continue with the adoption of a Land Use Code Amendment (LUCA) and areawide rezone. The Council is currently considering Consolidated Guiding Principles that will guide the vision's implementation in the LUCA process. (Attachment A)

Site Description and Context

The East Main area is located south of Downtown and its boundaries are Main Street, 114th Avenue SE, SE 8th Street, and 112th Avenue SE. The Vicinity Map (Attachment B) shows the boundaries, the

surrounding area, and the East Main Station. The Red Lion parcel located at the north of this parcel is expected to redevelop first. The owners of the other parcels north of SE 6th Street have expressed no intention to redevelop at this time. Redevelopment of the parcels between SE 6th Street and SE 8th Street is unlikely because they are encumbered by a large wetland.

Timeline

In December 2017, the City Council approved Guiding Principles that can be found at the end of Attachment A. At that time the East Main CPA, LUCA, and areawide rezone were being processed together. The CPA was separated from the LUCA and areawide rezone at the beginning of 2019 and on May 20, the CPA was adopted in Ordinance No. 6465. The LUCA and areawide rezone are still pending. On May 28, staff presented Council with a set of proposed guiding principles that would supplement the 2017 Guiding Principles and provide guidance specific to the LUCA and rezone process. Council directed staff to schedule another study session in order to consider a consolidated list of all the guiding principles, analysis of the guiding principles that were under discussion, information regarding development standards and public amenities, and alternatives for processing the LUCA. A timeline of events since 2014 can be found in Attachment C.

Consolidated Guiding Principles

The Consolidated Guiding Principles (Attachment A), which include staff's recommendation for the Supplemental Guiding Principles and the 2017 Principles, provide a link between the policy language of the CPA and the implementation language of the LUCA. The Supplemental Guiding Principles offer more specificity than the 2017 Principles and provide guidance on:

- Urban Design
- Mobility
- The Regulatory Framework
- The Incentive System

There are several supplemental guiding principles that are under discussion. To assist Council, Attachment D identifies the principles that are still under discussion, compares alternatives, provides staff's analysis, and cites relevant authority. Staff recommends adoption of the Supplemental Guiding Principles because they are specific to the LUCA process and they are informed by:

- East Main discussions that occurred from December 2017 to the present;
- The East Main CPA;
- The 2017 Principles;
- The Council's Vision; and
- The Land Use Code and Guiding Principles used for other LUCAs.

The Terminology of Incentive Systems

An incentive system is expected to be essential to the completion of the East Main LUCA. The purpose of an incentive system can be gleaned from the East Main CPA which states: "Establish a land use incentive system that offers additional floor area in exchange for affordable housing as a top priority and may also include other improvements and amenities that contribute to the public good."

Integral parts of most incentive systems include concepts like floor area ratio (FAR), development standards, and public amenities. Below are descriptions of these concepts; diagrams helpful to this discussion are provided in Attachment E.

<u>Floor Area Ratio (FAR)</u> LUC 20.50.020 defines FAR as a measure of development intensity equal to the gross floor area excluding parking and mechanical floors or areas divided by net on-site land area. An amenity system usually has a base FAR which is allowed as a matter of right, and a maximum FAR which is obtained if the development includes the requisite amount of public amenities. No development is required to meet maximum FAR or provide public amenities listed in the incentive system.

<u>Development Standards and Other Code Requirements</u>. Every new development is required to meet certain development standards, such as landscaping, parking, and impervious surface. These standards are required whether a development meets or exceeds the base FAR.

<u>Public Amenities</u> Public amenities are those features that can be provided in a new development in exchange for additional FAR. That is, the additional FAR is an incentive for the developer to provide one or more public amenities. These amenities may include but are not limited to affordable housing, stream restoration, public meeting spaces, or other amenities. Incentive system participation is voluntary.

Incentive System Structure There are three examples of land use code structure to consider:

- 1. No Incentive System A maximum FAR is provided in the Land Use Code (LUC) and any public benefit desired by Council must be a requirement. No additional FAR is available in exchange for public amenities.
- 2. Incentive System with Tiers –The BelRed incentive system is a tiered system. A tiered system was selected for BelRed because the structure is ideal when there is a significant amount of lift from the previous maximum FAR (0.5) and the new maximum FAR (4.0). A tiered system allows Council to prioritize the amenities and focus resources, particularly if the list of amenities is short. East Main has an increase in maximum FAR that most closely approximates this model. Currently, the East Main area has a maximum FAR of 0.5, but Council's vision for East Main provides for a maximum FAR of 4.0 and 5.0 through an amenity system and development agreement respectively.
- 3. Incentive System without Tiers This structure works where there is little difference between the base FAR and maximum FAR, if only a single amenity is included in the system, or if there is no priority allocated to the amenities which may be pursued.

Process Alternatives

There are two possible alternatives to process the LUCA as it moves forward. Council may send the LUCA back to the Planning Commission for processing or Council may make a finding of necessity and keep the LUCA (Attachment F). Below are the considerations for each alternative:

• Planning Commission Process

- The Commission currently has an open calendar.
- The Commission is equipped for public participation throughout the process.
- The Commission can help the Council with the significant amount of code development work that remains.
- This process may benefit from Council check-ins to resolve policy questions and to verify or confirm direction.
- The process would benefit from a Council-defined timeline.
- Council Process
 - o Council processing of a LUCA is atypical and requires a finding of necessity.
 - Council is up to date on the project.
 - Scheduling challenges could extend the processing time of the LUCA.
 - o Council has limited capacity given the other issues requiring Council attention.

If the Council chooses to send the LUCA back to the Planning Commission, staff suggests a check-in with Council to resolve questions, verify or confirm direction, and provide guidance as needed. Staff also suggests a Council-defined process in this option.

Next Steps

Once Council adopts the Consolidated Guiding Principles, it can determine whether the LUCA should be processed by the Council alone or by the Planning Commission and Council. This decision will determine the process steps thereafter.

POLICY & FISCAL IMPACTS

Policy Impact

The vision developed by the Council is a new development type for this area and requires a LUCA and areawide rezone after the adoption of the associated CPA. The decisions made relating to this station area plan will have significant implications for setting the tone for the area and may influence planning around other station areas in the future.

Fiscal Impact

No fiscal impact has been identified for this agenda item.

OPTIONS

- 1. Adopt the proposed Consolidated Guiding Principles for the East Main LUCA process.
- 2. Do not adopt the Consolidated Guiding Principles for the East Main LUCA process.
- 3. Provide staff with alternative direction.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Consolidated Principles
- B. East Main Map
- C. East Main Timeline
- D. Guiding Principles Matrix

- E. FAR and Incentive System Diagrams
- F. LUCA Process Diagram

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May 28, 2019, City Council Study Session Agenda Memo May 20, 2019, City Council Regular Session Agenda Memo April 22, 2019, City Council Study Session Agenda Memo January 22, 2019, City Council Study Session Agenda Memo East Main CAC Report