## CITY OF BELLEVUE CITY COUNCIL

## **Summary Minutes of Study Session**

January 18, 2011 6:00 p.m.

Council Conference Room Bellevue, Washington

<u>PRESENT</u>: Mayor Davidson, Deputy Mayor Lee, and Councilmembers Balducci<sup>1</sup>,

Chelminiak, Degginger, Robertson, and Wallace<sup>2</sup>

ABSENT: None.

## 1. Executive Session

Deputy Mayor Lee called the meeting to order at 6:02 p.m., and declared recess to Executive Session for approximately 15 minutes to discuss one item of pending litigation.

The meeting resumed at 6:29 p.m., with Mayor Davidson presiding.

## 2. Study Session

(a) Environmental Stewardship Initiatives Update

City Manager Steve Sarkozy opened staff's update on the Environmental Stewardship Initiative.

Sheida Sahandy, Assistant to the City Manager, introduced Paul Andersson, Program Manager, and provided an overview of the Environmental Stewardship Initiative (ESI) activities and accomplishments of 2010. She noted that the updated program is a reflection of the reality of constrained resources with a focus on partnerships, grant resources, and other ways of deriving economic and environmental benefits.

Ms. Sahandy described 2010 achievements for the City's operations in the areas of energy efficiency, traffic signal savings, and clean fleet acquisitions. The replacement of incandescent bulbs with LED traffic signal lights has realized savings of \$188,000 per year, and the City will complete traffic signal replacements in 2012. In 2010, 33 hybrid vehicles were added to the City's fleet as replacements for older vehicles. The City expects to add 78 new hybrids in 2011, which are in part grant funded.

<sup>&</sup>lt;sup>1</sup> Councilmember Balducci arrived at 6:10 p.m.

<sup>&</sup>lt;sup>2</sup> Councilmember Wallace arrived at 6:40 p.m.

Community wide achievements in 2010 included the deployment of electric vehicle infrastructure, initiation of the business support program, and the launching of the home energy reports program. The Eastside Sustainable Business Alliance is an informal partnership that was facilitated by the City for the local business community. The focus is on helping businesses increase efficiencies, reduce costs and environmental impact, and learn about effective measures. Home Energy Reports is a partnership with Puget Sound Energy, other jurisdictions, and a company called Opower. Approximately 91,000 households are receiving the reports, including 33,860 in Bellevue. The previous pilot program indicates that Bellevue households could collectively save \$875,000 in the first year.

Ms. Sahandy described electric vehicle charging stations, including those recently installed at City Hall, and home charging equipment. She showed a brief video to demonstrate the operation of a battery exchange station, which is a faster alternative to vehicle charging. This type of facility has pilot projects in Israel, Denmark, and Australia. Ms. Sahandy noted proposed legislation to be discussed under the next agenda item that will allow electric vehicle infrastructure as a land use in Bellevue.

Ms. Sahandy reviewed highlights of the 2011 work plan including the implementation of a performance management system, expansion of paperless permitting, identifying more fleet-related opportunities, developing a web portal for the Eastside Sustainable Business Alliance, and leveraging integration of the City's economic development and environmental stewardship goals.

Councilmember Degginger thanked staff for the update and said he is pleased that the City has been able to continue its Environmental Stewardship Initiative despite the budget constraints. He noted that the program's measures are largely incremental in nature, and the benefits will increase over time.

Deputy Mayor Lee said he is impressed with the energy savings for City facilities. He said he would like to know more about the Eastside Sustainable Business Alliance. He is pleased with the emphasis on electric vehicles, and asked why the City has not purchased any full electric vehicles.

Ms. Sahandy said staff is looking into purchasing electric vehicles for the City's fleet, perhaps by the end of the year. They are not widely available, and the Chevy Volt is not yet available in this region. The City has one small electric vehicle that is used by the Utilities Department, and it is charged in the employee parking garage.

Councilmember Balducci thanked staff for the update. She noted that the Comprehensive Plan has goals related to clean air and water. There has been increased discussion during the past year about clean stormwater flows, particularly with respect to transportation projects. Ms. Balducci said she would like to hear an update on efforts related to clean water. Ms. Sahandy said Utilities Department staff can be scheduled to provide an update.

Ms. Balducci suggested considering a name change for the ESI program, noting that "initiative" sounds somewhat short term in focus. She said it would be helpful to have a formal reporting mechanism for the program's achievements, which are realizing important cost savings. She suggested articulating goals and reporting on the progress toward meeting the goals (e.g., cost savings, carbon emission reductions). Ms. Sahandy confirmed that the 2011 work plan includes a focus on developing performance measures.

Responding to Councilmember Robertson, Ms. Sahandy explained that energy efficient street lights have been installed in some neighborhoods, resulting in mixed reviews. Some residents do not like the quality of the light. She explained that new technologies continue to emerge, some of which have a more favorable cost-benefit analysis. Ms. Robertson noted her interest in the greening of the Building Code, and in deconstruction incentives versus demolition. She requested an update on this topic, as well as other City practices (e.g., issuing public records on CDs instead of paper).

Councilmember Chelminiak commended staff on the progress to date. He feels that an annual report summarizing and quantifying achievements would be helpful, particularly with regard to reporting on cost savings. He noted that the City does a good job of performance management overall. He suggested that the City might be able to find some grant monies to work on a set of metrics for communities to review and consider. He agrees that clean air and water are areas that need to be expanded within the ESI program.

Councilmember Wallace commended staff on the program. He suggested focusing on education and incentives as the electric vehicle network expands, noting that it is more cost effective to install charging stations with new construction than to retrofit existing parking structures. He observed that some private companies are readily implementing the technology.

Responding to Councilmember Degginger, Ms. Sahandy said the cost of a home-based charging station depends on the location and existing electrical capacity. The cost is typically around \$2,000, and could be less than \$1,000 in ideal situations. Mr. Andersson said that some dealers are expected to start offering charging stations with the purchase of an electric vehicle. He noted that commercial charging stations, such as the one at City Hall, range from \$4,500 to \$6,500.

Ms. Sahandy said the City has produced fact sheets for the public regarding electric vehicles and the permit process for charging stations.

Mayor Davidson commented that the Environmental Stewardship Initiative overlaps a number of areas; for example, vehicle usage affects water quality. He suggested that the program involve all relevant Boards and Commissions. Dr. Davidson noted his involvement on the National League of Cities (NLC) Energy, Environment and Natural Resources Committee. Several cities have checklists for evaluating how they are doing in a wide range of categories and work activities. He suggested researching these efforts for information applicable to Bellevue.

(b) Planning Commission Recommendation on the Revised Electrical Vehicle Infrastructure Land Use Code Amendments

Carol Helland, Land Use Director, recalled discussion with the Council on June 14 regarding a proposed Land Use Code Amendment (LUCA) related to electric vehicle infrastructure. The installation of residential charging stations requires an over-the-counter permit, which can be obtained online as well.

Catherine Drews, Legal Planner, referred the Council to page SS 2-3 of the meeting packet and reviewed the revised electric vehicle infrastructure LUCA, which clarifies that the installation of electric vehicle charging infrastructure in single-family and multifamily structures is allowed. In addition, the amendment specifies that charging stations are allowed as an accessory or subordinate use to a parking use and vehicle maintenance facilities.

Responding to Councilmember Robertson, Ms. Helland confirmed that electric vehicle infrastructure, excluding battery exchange stations, is ancillary to motor vehicle parking and highways/rights-of-way uses. The stations are permitted through the applicable review process as a component of that use. [See Footnote 24 on page SS 2-19 of the meeting packet.]

Ms. Helland said her staff coordinated with the Transportation Department to remove barriers should they wish to deploy some of the uses experimentally, as was done in the City Hall garage. A broader policy discussion would be necessary to address whether a charging station would be an appropriate use of street parking.

Responding to Councilmember Balducci, Ms. Helland confirmed that Park and Ride lots are a conditional use. If King County wanted to install a charging station in one of the lots, an electrical permit would be the only requirement.

Ms. Helland said staff anticipates bringing the amendments back for Council action in February.

Responding to Deputy Mayor Lee, Ms. Helland said a charging station could not be installed if it would preempt the public from parking on a public street. The City could choose to offer charging stations at some on-street parking sites. However, that would require Council consideration and a policy discussion. Most residents will be installing the charging stations in their garages.

Mayor Davidson stated that the item will be brought back on a future agenda.

(c) Planning Commission Recommendation on Performing Arts Land Use Code Amendments

City Manager Sarkozy introduced discussion regarding proposed Land Use Code Amendments related to performing arts uses.

Ms. Helland said the proposed amendment was identified with regard to the development of the Tateuchi Center. The issue is similar to amendments that were considered several years ago for performing arts centers associated with school remodels.

Liz Stead, Urban Design Planning Manager, explained that the amendment was first introduced to the Planning Commission in September 2010. After minor revisions, the Commission unanimously recommended approval in December 2010. The proposed amendment provides greater dimensional flexibility to accommodate the unique needs of performing arts uses, which typically exceed the dimensions permitted by the Land Use Code in the Downtown. There is a need for greater volume and height to accommodate equipment associated with production sets. As noted by Ms. Helland, this issue was addressed with regard to school facilities in 2003.

The amendment will also bring the Land Use Code into greater alignment with Comprehensive Plan policy changes adopted as part of the Downtown Implementation Plan (DIP) work completed in 2004. It applies to properties abutting  $106^{th}$  Avenue NE, which is identified as the entertainment avenue in the Comprehensive Plan, between the south side of NE  $10^{th}$  Street and the north side of NE  $2^{nd}$  Street. The proposed amendment is restricted in scope to performing arts center uses defined as follows: Any facility intended and designed for the presentation of live performances of dance, drama, and music.

Ms. Stead described the typical configuration of performing arts spaces. The proposed amendment provides modifications to the current façade stepback requirements above 40 feet and to allow unlimited floor areas for floors between 40 and 100 feet. Heightened design standards would be required for projects wishing to take advantage of the dimensional flexibility.

Ms. Stead explained that the SEPA Determination of Non-Significance was issued on November 11, 2010. Public testimony was provided during the November 3, 2010 Planning Commission meeting by the Tateuchi Center Executive Director in support of the amendment. There have been no other public comments on the proposed amendment. The Planning Commission unanimously endorsed the proposed amendment on December 1, 2010.

Hal Ferris, Planning Commission Chair, said the initial areas of concern for the Commission were the geographic scope of the amendment, design standards, and pedestrian improvements.

Ms. Stead noted that the proposed amendment complies with the Land Use Code 20.30J.135 decision criteria.

Responding to Mayor Davidson, Ms. Helland said the Land Use Code restricts projects to the minimum necessary to facilitate the functional needs of the use. A building designed to take advantage of the dimensional flexibility would need to demonstrate the types of performances requiring the modifications. In further response, Ms. Helland confirmed that a dinner theatre would most likely be considered a restaurant use rather than a performing arts use.

Councilmember Robertson questioned whether the code amendment will allow the current design of the Tateuchi Center to be built. Ms. Helland said it does, but some design modifications were made as the Planning Commission was considering the amendment. One relates to the street level pedestrian design and a requirement for weather protection.

Mr. Ferris said the Planning Commission recommended that the entrance to the Tateuchi Center be located on 106<sup>th</sup> Avenue NE, to activate the street, but this does not appear to be possible given the configuration of the site.

Councilmember Robertson thanked Chair Ferris and the Commission for their work.

Deputy Mayor Lee questioned the recommendation to restrict the performing arts code amendment to  $106^{th}$  Avenue NE. Ms. Helland explained that staff considered expanding the allowance for larger floor plates through the entire City Center district. However, the Planning Commission recommends focusing performing arts facilities to  $106^{th}$  Avenue NE, which is consistent with its designation as an entertainment avenue in the Comprehensive Plan.

Mayor Davidson questioned the ability for the convention center to expand its facility and performing arts venue. Ms. Helland said the center is in the Civic Center design district, which allows the larger floor plates.

Councilmember Degginger said he understands the need for flexibility to accommodate the theatre. He questioned the design plans for the building height facing 106<sup>th</sup> Avenue NE. Ms. Helland said this was a focus of concern for the Planning Commission. The code amendment requires design standards typically applied for a Type A street including weather protection, glazing, and pedestrian-oriented frontage use. The City will work with the Center to encourage some type of design/art relief on the side of the building to enhance the visual environment.

Councilmember Balducci said she appreciates the work of the Planning Commission and staff on this important community asset. She questioned the public outreach process for the code amendment. Ms. Helland said public notices regarding land use code amendments of general applicability are sent to property owners who request receipt of notice and organized homeowners associations, including those in downtown high-rise buildings. The City publishes information about the proposed amendment and related meetings in its routine Blue Bulletin as well.

Councilmember Balducci said she would like to know if residents of Washington Square received notice of the proposed land use code amendment. She expressed concern that this type of code amendment is subject to general noticing procedures. Ms. Helland said all residents within 500 feet of the site have been sent comprehensive information about the overall project, and the City has not received any comments.

Mayor Davidson asked staff to bring the amendment back for Council action.

(c) Planning Commission Recommendation on Nonconforming Lot Building Height Land Use Code Amendments

Ms. Helland explained that the proposed Land Use Code Amendment addresses a lack of flexibility in the existing code for nonconforming lot building height, which is not currently eligible for the variance process.

Matthews Jackson, Neighborhood Development Planning Manager, said the existing code limits the maximum building height on lots that are less than 70 percent of the minimum lot size of the underlying zoning district. He referred the Council to page SS 2-64 of the meeting packet for the formula used by staff to calculate the maximum building height. The current code prohibits using the variance process to modify that restriction. The proposed amendment allows for the reasonable development of nonconforming lots, consistent with the neighborhood character code amendments adopted in 2007 and 2009. Approximately 200 lots are currently less than 70 percent of the minimum lot size.

Mr. Jackson described and showed photos of examples of nonconforming lots. The SEPA Determination of Non-Significance was issued on November 11, 2010. The Planning Commission held a public hearing on December 2, 2010, and unanimously recommended approval of the proposed LUCA.

Planning Commission Chair Hal Ferris noted that the Commission wanted to ensure that the amendment would be consistent with the neighborhood livability standards adopted in recent years.

Mr. Jackson commented that while there are approximately 200 nonconforming lots in Bellevue, the City has heard from only seven to 10 people who have encountered issues with the code during the past 10 years. The proposed amendment was discussed on December 7 with the East Bellevue Community Council, which expressed support for the proposal.

Staff responded to questions of clarification from Councilmember Degginger regarding a specific example provided during the presentation. Ms. Helland noted that the LUCA provides flexibility within the terms of the neighborhood livability requirements adopted during the past few years. While the proposed amendment requires a variance, most of the affected homes already require a variance related to other issues (e.g., lot coverage).

Responding to Councilmember Chelminiak, staff provided examples of how the LUCA will affect specific properties. Mr. Jackson said the neighborhood character variance criteria include size, shape, and topography. The variance would not grant something to residents that their neighbors could not achieve, and requests will be evaluated with a side-by-side contextual review.

Ms. Helland noted that variance requests require notice to the neighbors within 500 feet, which potentially initiates a dialogue about neighborhood character with adjacent property owners.

Councilmember Balducci said she agrees with the intent of the code amendment to remove redevelopment barriers in the existing code and to provide an opportunity to consider the unique circumstances of each proposal to determine whether additional height can be granted in a manner that is consistent with surrounding neighborhood character. She is not convinced that the proposed code language and the use of a mathematical formula fulfills this intent.

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Noting concerns about subdivisions and lot line adjustments, Ms. Balducci said she would like explicit language in the code amendment to state that the proposed amendment applies only to existing situations.

Mr. Jackson said property owners are restricted from obtaining a future variance for an existing short plat or plat. Lot line adjustments fall into the same category in terms of the inability of the City to make any changes that would make a lot more nonconforming.

Ms. Helland noted a separate code provision that adjacent nonconforming lots must be combined if they become owned by the same property owner.

Mayor Davidson suggested bringing this item back for further Council discussion before taking action.

At 8:03 p.m., Mayor Davidson declared recess to the Regular Session.

Myrna L. Basich, MMC City Clerk

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