

Development Commission  
4-18-18

**CITY OF ISSAQUAH  
Development Commission  
MINUTES  
April 18, 2018**

City Hall South  
Council Chambers

135 E. Sunset Way  
Issaquah, WA 98027

**COMMISSIONERS PRESENT**

Richard Sowa, Chair  
Mel Morgan, Jr., Vice Chair  
Randy Harrison  
Kevin Price  
Robert Bakh, Alt.  
Richard Sanford, Alt.

**COMMISSIONERS NOT PRESENT**

Michael Brennan  
Ray Leong  
Jasmina Mihova  
Carl Swedberg  
Ryan Roeter, Alt.

**STAFF PRESENT**

Christopher Wright, Project Oversight Manager

**APPLICANT TEAM PRESENT**

Bob Fadden, Lance Mueller & Associates  
Mark Robison, Owner, HMI  
Patty Nelson, Real Estate, HMI

**CALL TO ORDER**

SOWA, Chair, called the meeting to order at 7:00 PM.

**APPROVAL OF MINUTES**

MOVED BY HARRISON, SECONDED BY BAKH that minutes of the Development Commission meeting on April 4, 2018 be approved as presented. MOTION CARRIED by unanimous vote of all Commission members present.

**HIGHMARK MEDICAL CENTER SIGNAGE (D)**

**Approve an Administrative Adjustment of Standards, AAS17-00009, for the Highmark Medical Office Building, File No. PLN08-00097, pertaining to signage.**

**Staff Presentation**

Wright began staff's presentation for an Administrative Adjustment of Standards (AAS) for signage at the Highmark Medical Office Building. MORGAN disclosed that the firm he works for owns the Maple Street Building located a few blocks from this building. He said he does not believe that has any impact on this application, or on his ability to be fair and impartial in considering this matter, but he wanted to make that disclosure. Wright asked whether the applicant team had any objections to MORGAN's participation in the review, and they had none.

Wright continued his presentation with some background on the Site Development Permit for this building, approved in 2009; the building owner's recent request for a change in signage; and the City's changes in code from the code that was in effect when that building was permitted. He showed photos of the existing signage and what the applicant is proposing. He continued this building is within central Issaquah, and the sign code in the Central Issaquah Development and Design Standards (CIDDS) specifies that primary and secondary signs must be located on the portion of a building's facade directly associated with the business it is advertising. The building owner is requesting an AAS to allow signage that does not comply with that regulation.

Development Commission  
4-18-18

He reported what the City's Attorney has advised on this matter; the sign code intent, as described on page 2 of 3 of the staff memo included in the agenda packet; and the approval criteria for AAS (page 3 of 3). He explained why staff is bringing this matter to the Development Commission, noting that although only a Level 0 review is required, as explained on page 3 of 3, the Administration is choosing to bring it to the Development Commission.

He continued that the Administration is recommending denial of the applicant's request for an AAS, and explained it would set a precedent, could create challenges about future signage requests, and present problems if the building owner changed. He said if the Commission does approve the AAS, staff requests that the Commission be very specific and provide details about its decision in anticipation of receiving other AAS signage requests in the future and the need for a possible sign code amendment.

### **Applicant Presentation**

Bob Fadden, Lance Mueller & Associates, said he was the original design architect for this building. He explained why this site was selected for the building, specifically because it was located on a high-traffic street across from the yet-to-be-built transit center. He explained the access challenges to the site when the building was designed. He used aerial views to show vehicle entry points to the site, and noted where improvements have taken place since the building was designed. He gave more details about how the building was designed for a single use, specifically for medical uses. He showed photos of existing signage on the building, and said the signage size we are requesting is slightly less than is permitted in the code. He added there was never any intent to match up the tenant signs on either end of the third floor with the actual space those tenants occupy in the building.

He said the wayfinding system for this building has always been a critical part of the building design, and showed more views of the building from different vantage points and at different times of the day and year. This is a unique building, he added, and explained how the building is set back from the roadway that fronts it. He showed where pedestrians arrive at the building and how visitors find what they are looking for once they are inside. He also explained the vehicle access points to the building, using photos, and explained how people find their way from the parking garage to the specific office in the building they are seeking. He explained the proposed signage plan, noting that no other changes to the size or the number of signs are being requested.

He distributed a packet that included a floor plan of the building that shows where tenants are located within the building, and of website home pages from current tenants in the building (Exhibit 4). He said having a single building sign and smaller signs for the primary occupants, as now exists, is superior for this building compared to what is allowed in the code, and said that is why we are seeking an AAS. He said the building appearance will not be improved by having signs plastered all over the front of the building; there are no negative impacts to surrounding buildings; the signs are not out of character; are unique to the use of the building; and don't negatively impact safety.

Mark Robison, HighMark Investments (HMI) and owner of the Highmark Medical Center, introduced Patty Nelson, who runs HMI's real estate interests. He said he hopes the Commission looks favorably upon Fadden's observations and comments. He said the Highmark Medical Center is near capacity, and is filling its last vacancy now with a new tenant, Seattle Cancer Care Alliance, a much-desired and much-needed tenant.

PRICE asked how many tenants are now in the building. Fadden replied eight, with space for one more, and referred to a diagram of the building. PRICE confirmed you are seeking permission to replace two signs on the building, not add more. Fadden replied that is correct. The original

Development Commission  
4-18-18

building design called for one building identification sign above the main lobby entrance, and two tenant signs on either end of the third floor. We are not seeking more, he stated. MORGAN said there appears to be another sign on the second floor, and asked will it be coming down. Fadden replied yes; that is just a temporary banner that will be removed.

MORGAN noted that the AAS approval criteria in the agenda packet (page 19 of 29) does not match the approval criteria in Section 9.7.6 of the CIP Design Standards. He identified three areas where they are different. Wright confirmed that the version in the CIP Design Standards is the correct version and the one that should be used tonight. MORGAN noted one of those differences is the omission of a section on Conditions that follows the list of approval criteria, as follows: *Conditions may be imposed upon the grant of any adjustment. Unless otherwise specified, the adjustment shall be subject to all plans, specifications, and conditions set forth in the application.*

MORGAN continued is the applicant saying it would be acceptable if only the two tenant signs are allowed on the third floor, plus the building identification sign. Fadden replied yes, that is what we are requesting in seeking an AAS.

SANFORD asked clarifying questions about the existing tenant signs. He asked is the sign "UW Medical Center--Urgent Care" considered one sign or two. Fadden replied one; it is in two panels, but it wouldn't have to be. SANFORD noted he perceives it as two signs. Fadden gave details about how the sign lettering is illuminated, and said the technology used today is different. These signs are backlit, and the original letters are channel letters with neon tubing behind them.

SANFORD asked whether the colors to be used on the two signs, one on either end of the third floor, are required to be the same or can they differ. Fadden replied the colors are the brand colors of the tenant, such as the University of Washington, and would vary with the tenant. SANFORD said he is thinking about staff's earlier comment that allowing this change would set a precedent for future sign requests in central Issaquah. We have to think about not just the placement of the signs but also the perception of the number of signs and the vibrancy of colors that could potentially be used. He asked whether the standards in Chapter 18 of the City's Architectural and Design Guidelines Manual would apply. Wright replied yes. SANFORD asked if this was considered a building in the "contemporary Northwest" category in the Architectural and Design Guidelines Manual, would the color requirements specified for that category apply. MORGAN said his understanding is that the color palette in the manual applies to the color of the building only, not to sign color. Fadden confirmed no change in building color is being proposed.

HARRISON asked the applicant to address why signage in addition to the building identification sign is necessary. He noted that people commonly use GPS and electronic wayfinding to find an address, a practice that is likely to increase. Fadden said it's a good question. One reason is because a major tenant in a medical building expects to be recognized as a prestigious client, and that includes the prominent display of their name. That is the expectation of the medical building market as well as potential tenants, he said. HARRISON said so the reason is not so much for wayfinding as it is for recognition. Fadden replied yes. He referred to the home pages of tenants' websites that prominently display their signage on the Highmark Medical Center building. HARRISON clarified there would be no individual tenant signs on the side of the building that faces I-90. Fadden replied that is correct.

SANFORD asked about directory signs inside and outside the building. Fadden used a diagram and slides to show where a directory board is located in the lobby of the building as well as at the vehicle entry points, and how people can find the offices they are seeking once they get inside.

Development Commission  
4-18-18

MORGAN asked what are the building's hours of operation for the urgent care facility. Nelson replied it is open 7 days a week, 10 am until 8 pm on weekdays and 8 am to 6 pm on weekends. MORGAN asked would the sign for the urgent care facility be illuminated for someone who wanted to find the facility at, say, 7:00 on a dark evening. Fadden replied yes; we want the urgent care portion of the signage to be extremely visible for wayfinding purposes.

SOWA asked how long has the urgent care facility been operating in the building, and have clients had difficulty finding it. Nelson replied it has been operating since July 2017, and said she can't speak to people's ease in finding it. She defined an "urgent care" facility as a specialized medical clinic that is a middle ground between a walk-in clinic and an emergency room at a hospital, and is often one step on the way to a patient being admitted to an emergency room.

BAKH noted that the Overlake medical and urgent care facilities by Fred Meyer, which are housed in a one-story, strip-mall type building, have large identifying signs. HARRISON asked whether the Highmark Medical Center's signs go off when the offices are closed. Fadden replied the signs are on a separate metered circuit, which go on and off. It is not our intent to illuminate the signs all night. HARRISON asked whether that is addressed in the City's code. Wright replied that is something the City does not regulate.

SANFORD asked would the sign colors have to be specified in the applicant's permit. Wright replied yes. SANFORD asked do we have an idea of how many colors could potentially appear on this building from signage. Fadden said it's not possible to know what tenants might occupy the building in the future. However, the current primary tenants, such as the University of Washington, have signature colors. MORGAN noted typically signage has come to the Development Commission as part of the review process, but in the past we have not tried to limit the allowed color palette. He asked staff to clarify that the Development Commission is being asked to review approval of sign location only tonight and that staff will be conducting the review and approval of the applicant's sign permit application. Wright replied that is correct.

#### **Public Comment**

None.

#### **Joint Discussion**

PRICE said his thinking is that the applicant is asking for an exception to the rules due to an extraordinary circumstance created by the purpose and location of this building. It also seems that what is afforded to one business should be afforded to another business that is providing the same product or service. In that context, he continued, a tenant in this building who is offering urgent care services should be able to have signage the same way that others are offered that privilege. He said he feels that the application for an AAS should be approved.

HARRISON asked staff to explain the City's reservations about approving this request. Wright explained this is the first time the City has been asked to approve a sign for a business within a building that is not directly located on that space. HARRISON said he tends to agree with PRICE's comments, but the applicant has said that the main reason for seeking this AAS is not wayfinding but rather to get the tenant's name out there. He said he's not sure that constitutes grounds to justify an AAS, although he recognizes that it is a legitimate desire for the tenant and the building owner.

BAKH said the nature of an urgent care facility is that, if someone is driving down a dark street at 7 pm looking for it, the tenant wants to be sure their clientele can find them easily. Visibility is important to both the business and the clientele, he added. A sign for an urgent care facility is somewhat different than say, a sign for an optometrists' office or other medical-related service in

Development Commission  
4-18-18

that same building. PRICE agreed. He said he feels the proposed signage meets the spirit of the criteria listed in the CIDDS Sign Code Intent on page 18 of 29, including that the signage should be situated in the space the tenant is occupying. MORGAN said he tends to agree. The location of the signs seems appropriate, won't create any safety or aesthetic impacts, and is attractive and functional.

SANFORD clarified that, if the amendment is not approved, what would be the maximum number of signs that would be allowed. Wright said each tenant in the building could have a sign on their tenant space, and in fact could potentially have both a primary and secondary sign. So there could be two signs for as many as eight tenants. SOWA asked would it be possible to add a condition that would limit signs to just the third floor. Wright replied it's possible to approve an AAS that allows for a variance from code, but you can't put in a condition that limits what is allowed in the code. He explained the City Attorney's recent advice about allowing the existing signage code to apply for a three-year period after a SDP is issued, beyond which signs could become nonconforming if they do not comply with current code updates.

SOWA said there seems to be general agreement among Commissioners to approve this particular AAS, but also concern about what could happen in the future. The Commissioners considered several options, including not approving the AAS request. They looked at photos of existing signage again. Wright clarified that if this adjustment is denied, then potentially other tenants in the building could put up more signs, including on the first and second floors of the building where none exist today.

Robison said we have regulated our building to look professional, and we are asking that signs be allowed to be placed as proposed. He continued we regulate signage in our leases with tenants, and the only place we are proposing that signage be allowed is at either end of the third floor. He said he understands that there is a larger citywide concern here, but the applicant team is looking at this as though this is the first day of building occupancy and we are just starting to lease the building. We want to stay within that same original vision, he continued. In fact, we have repeatedly turned down more retail-type businesses to reach the point where we have a fully medical-occupied building. We have great clients in the building now, and want to assure you we are trying to remain within the vision we had when we first leased space in the building.

MORGAN clarified we could end up with multiple signs if this AAS is denied. Wright replied yes. BAKH clarified the applicant doesn't want additional signs, just these two. Wright replied yes. PRICE asked if they deviated from that position, would the permit require a Level 0 or a Level 2 review, and would it come back to the Development Commission for review. Wright replied by code, a review by the Administration is all that is required, but having the Development Commission review it is an option, and likely in this case.

### **Recommendation**

MOVED BY MORGAN, SECONDED BY BAKH that the Development Commission approve an Administrative Adjustment of Standards, AAS17-00009, for the Highmark Medical Office Building, File No. PLN08-00097, based on the extraordinary conditions regarding the building in terms of tenancy and setback from SR 900, and visibility of signs from other locations, as well as a condition that no other signs would be allowed on the east side of the building other than on the two locations proposed.

PRICE asked whether this is setting a precedent that could prove problematic. HARRISON said it's possible, but the hope is that this is a unique situation. We should specify in the motion that by identifying the two locations that signage is allowed, the Development Commission is precluding an alternative that would open up the possibility of the building façade being covered with signage, he

Development Commission  
4-18-18

continued. He suggested we make it clear, as Wright requested in his opening statements, why we are doing this; denying this AAS could result in a proliferation of signs, which the Commission finds unacceptable. SANFORD agreed, and said we are acting in accordance with the stated sign code intent to "... avoid visual distraction, clutter, chaos..." and so on. BAKH said the motion should also note that the Highmark Medical Center is a multi-story, multi-tenant building and that this will limit signage to just the two signs on the third floor.

MORGAN offered a friendly amendment to his earlier motion, to add the sentence, "The Development Commission believes that the limitation to two signs on the upper floor of the building will result in a more attractive building that is in line with the central Issaquah vision, in comparison to the potential proliferation of multiple signs on multiple floors of the multi-story building." BAKH, second to the main motion, agreed to the amendment.

MAIN MOTION, as amended, CARRIED BY UNANIMOUS VOTE OF ALL DEVELOPMENT COMMISSION MEMBERS PRESENT.

### **"OUR ISSAQUAH" STRATEGIC PLAN DISCUSSION (I)**

The Commission re-convened in a less formal-seating format. Wright made staff's presentation. He began by explaining the City's outreach efforts to collect input for preparing a strategic plan for the City, its priorities, and its future. He noted that responses from the Commissioners tonight should not be based on their role as Commissioners but rather as residents of Issaquah.

He continued with an explanation of the strategic plan planning process; the purpose of the strategic plan; how the plan will be used; why the City is doing this; outreach efforts; and the online survey. He showed a graphic of the three phases in the strategic plan process, and noted we are currently in Phase 1. He described the activities to take place in Phases 2 and 3.

He continued with five questions and asked for Commissioners' responses, as follows:

- What do you value about Issaquah?
- What aspirations (narrowed down to three to five items) do you have for Issaquah in the next 15-20 years?
- Why are those aspirations important?
- What are the challenges we face in reaching those aspirations?
- What changes are needed to reach those aspirations?

Wright recorded and collected Commissioners' responses to the questions, and briefly explained how the responses will be used.

### **AUDIENCE COMMENTS**

None.

### **OTHER BUSINESS/ANNOUNCEMENTS/ADJOURN**

With no additional business to discuss, SOWA adjourned the meeting at 9:15 PM.

Respectfully submitted,

Susan Lowe  
Recording Secretary

*(Note: Alternate Members did not vote at tonight's meeting as there was a quorum of Regular Members present.)*