

**CITY OF ISSAQUAH
Development Commission
SPECIAL MEETING**

February 5, 2019
6:30 PM

Council Chambers
135 E. Sunset Way

MINUTES

*These minutes are provided as a written record pursuant to IMC18.03.100(C).
A video recording of the meeting and a full transcript of the proceedings also exist.*

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commissioners Present:

Richard Sowa, Chair
Mel Morgan, Vice Chair
Michael Brennan
Kevin Price

Richard Sanford

Commissioners Not Present (Excused):

Randolph Harrison
Jasmina Mihova
Mark Rigos, Alternate
Ryan Roeter, Alternate
Nischitha Venkatesh, Alternate

Administration/Staff:

Keith Niven, Econ. & Dev. SrCs. Dir.
Lucy Sloman, Land Development Mgr.

Others Present:

Jeffrey Dunbar, City Attorney's Office
Tia Heim, Shelter Holdings
Zachary Lell, City Attorney's Office
Ray Liaw, Van Ness Feldman, LLP
Jackie Quarré, Foster Pepper PLLC
Patrick Schneider, Foster Pepper PLLC

CALL TO ORDER

SOWA called the meeting to order at 6:31 PM.

APPROVAL OF MINUTES

MOVED BY MORGAN, SECONDED BY BRENNAN that minutes of the Development Commission meeting on January 15, 2019 be approved as presented. MOTION CARRIED by unanimous vote of all Commission members present, 5-0.

MOVED BY MORGAN, SECONDED BY BRENNAN that minutes of the Development Commission meeting on January 16, 2019 be approved as presented. MOTION CARRIED by unanimous vote of all Commission members present, 5-0.

PUBLIC HEARING(S) - Continued from 1/16/19

- a) **Issaquah Highlands Retail (High Street Collection) Site Development Permit, (Q)***

Application No. SDP18-00001; PRJ17-00027

- Issaquah Highlands Medical Office Administrative Site Development Permit, (Q)***

Application No. ASDP18-00007; PRJ17-00023

- Issaquah Highlands Self-Storage Administrative Site Development Permit, (Q)***

Application No. ASDP18-00006; PRJ17-00028

- ~~Preliminary Matters~~ [completed]
- ~~Staff Presentation/Witnesses~~ [completed]

- Applicant Presentation/Witnesses
- Public Testimony
- Rebuttal Witnesses
- Discussion/Decision

Heim resumed her presentation in response to questions from Quarré, after Quarré confirmed that Heim remains under oath. Quarré began by asking Heim to review and describe the five applications that Shelter Holdings LLC (Shelter) currently has pending with the City of Issaquah.

Quarré introduced new Exhibit S-42, a letter dated January 3, 2017 to Niven from the applicant's attorney (Foster Pepper) requesting authorization for City staff to begin negotiating an amendment to the development agreement to allow for a three to five year extension with regarding to Shelter's property.

Quarré referred to the compilation of meeting notes prepared by Heim on discussions between Shelter representatives and City staff, previously provided to the City's attorneys, specifically to notes of a meeting on January 17, 2017. Quarré referred to Exhibit S-29, a response letter from Foster Pepper on the mitigation that should be carried over after the development agreement ended. Heim continued her testimony on the January 17, 2017 meeting. Quarré introduced new Exhibit S-43, an email to Niven from Patrick Mullaney (Foster Pepper) following up on the discussion at the January 17, 2017 meeting.

Quarré referred to Heim's notes from a meeting on March 21, 2017 on Shelter's binding site plan and permit application, and introduced new Exhibit S-44, Sloman's notes from the March 21, 2017 meeting. Quarré introduced new Exhibit S-45, an email string starting with an entry on March 27, 2017 from Heim to Sloman that followed up on the March 21 meeting.

Quarré introduced new Exhibit S-46, a large packet of materials related to Shelter's preliminary land-use permit application. Heim gave her understanding of the materials in the packet. Quarré referred to Exhibit S-11, an email string from March 2017–October 2018 between Heim/Ken Shipley (Core Design) and Sloman/Jean Lin (City Senior Planner) regarding Shelter's preliminary plat application.

SOWA called for a ten-minute break at about 6:40 PM. The meeting resumed about 6:50 PM.

Heim continued her testimony on Exhibit S-11. Quarré introduced new Exhibit S-47, a consolidated file of notes by Lin with respect to meetings with Heim and others representing Shelter as well as notes from internal City meetings on Shelter's projects.

Quarré referred to Heim's notes from a May 31, 2017 meeting, prepared in an email format, following a meeting with Shelter representatives and City staff on Shelter's preliminary plat application.

Quarré referred to Exhibit S-8, an email string between Niven, Sarah Hoey (Executive Director, Issaquah Highlands Community Association) and Sloman from June 2017.

Quarré introduced new Exhibit S-48, a letter from June 7, 2017 containing the City's review comments on Shelter's "High Street Collection" preliminary plat application; and new Exhibit S-49, a letter dated June 9, 2017 from Heim to Sloman and Niven about the City's replacement regulations, including a response from Weinstein A+U, a firm hired by Shelter to review and make recommendations on the future zoning designation of Shelter's commercial property in the Highlands.

Quarré introduced new Exhibit S-50, divided into sub-parts (S-50.A, a preliminary stormwater report; S-50.B, the affidavit of agent authority on behalf of IHIF-C; S-50.C, the affidavit of ownership on behalf of IHIF-C; S-50.D, the plat project narrative dated July 15, 2017 and submitted August 1, 2017; S-50.E, the preliminary plat document itself; S-50.F, a memo from Heim to Lin dated July 27, 2017 following up on Lin's comments to Shelter's pre-application submittal; S-50.G, a SEPA checklist; S-50.H, preliminary plat lot closure from Core Design; S-50.I, a legal description of a proposed public trail/landscape easement across Lot 10, shown on the preliminary plat; S-50.J, a legal description for a proposed public sidewalk easement on the back of Lot 3 of the plat; S-50.K, a required title insurance policy; and S-50.L, a memo from Transpo Group, consultants to Shelter, that addresses the traffic analysis for the proposed preliminary plat application).

SOWA called for a ten-minute break about 8:50 PM. The meeting resumed about 9:00 PM.

Quarré introduced new Exhibit S-51, an email string between David Holmes and James Walker (Collins Woerman, consultants to Shelter), Christopher Wright (City staff), and Sloman, dated September 2017. She referred to Heim's meeting notes from a meeting on September 7, 2017 and asked Heim to describe her recollection of the meeting.

Quarré introduced new Exhibit S-52, Sloman's meeting notes dated October 14, 2017, and asked Heim for her understanding of the content of the notes. Lell noted Exhibit S-52 appears multiple times, and asked for clarification that they are the same document. Quarré replied that is correct. She introduced new Exhibit S-53, an email to Niven from Heim, with copies to Gary Young, Shelter, and Sloman, dated September 25, 2017 regarding notification of a public hearing on the City's proposed replacement regulations that included a proposed change in the minimum FAR (floor area ratio). Quarré referred to Heim's meeting notes from a meeting on September 26, 2017 between Shelter's consultants/representatives, Sloman, Lin, Heim, and Doug Schlepp (City); and Lin's meeting notes from 2017 meetings on the medical office building application (Exhibit S-47).

Quarré referred to Heim's meeting notes from the Planning Policy Commission's (PPC's) September 28, 2018 meeting about the City's proposed replacement regulations, including the change in minimum FAR. She introduced new Exhibit S-54, an initial drawing prepared by and used by Shelter for a collaborative meeting on October 3, 2017 with the City on the proposed retail SDP application.

Quarré referred to Exhibit C-13, the Complete Application Determination for Shelter's preliminary plat application, back-dated to August 11, 2017 and received by Shelter sometime in October 2017. She referred to Heim's meeting notes from October 12, 2017, a meeting with Niven, Heim, and Gary Young on the replacement regulations.

Quarré introduced new Exhibit S-55, a series of documents on the medical office building, divided into sub-parts (S-55.A, the Pre-application Submittal Requirements form; S-55.B, Shelter's project narrative for the medical office building as part of the ASDP submittal; S-55.C, a brief project description; S-55.D, the land use permit application form for the pre-application; S-55.E, the main project submittal document for the medical office building; S-55.F, the transmittal cover sheet from Collins Woerman, Shelter's consultants, to the City; S-55.G, a subdivision guarantee required to be submitted with the application materials; and S-55.H, an email from Lin to Holmes transmitting the pre-application comments for the medical office building, dated December 29, 2017).

Quarré introduced new Exhibit S-56, a series of documents, divided into sub-parts (S-56.A, the main project component of Heim's retail site development permit pre-application dated October 23, 2017; S-56.B, the project narrative for the pre-application for the retail site development permit; S-56.C, the land use permit application for the pre-application for the retail site development permit; and S-56.D, a schedule of the City's land use permit fees).

ADJOURNMENT

SOWA continued the public hearing to the Development Commission's regular meeting on Wednesday, February 6, 2019 at 6:30 PM in the Council Chambers and adjourned the meeting at 10:05 PM.

Respectfully submitted,

Susan Lowe
Recording Secretary

EXHIBITS

Please contact City staff Carla Zabriskie at 425-837-3100 for exhibits related to these permits.