



MINUTES

Special Meeting
DEVELOPMENT COMMISSION
6:00 p.m. Wednesday, July 6, 2022

1. Call to Order

The meeting was called to order at 6:00 p.m. by CHAIR SANFORD.

Development Commissioners Present:

Chair Sanford, Vice Chair Shore, Commissioners Brennan, Dillon, Ikeda, and Morgan

Absence: Commissioners Gilbert (Excused) and Price (Excused)

Staff Present: Minnie Dhaliwal, Director, CP&D
Tisha Geiser, City Clerk
Stephen Padua, Long Range Planning Manager
Valerie Porter, Associate Planner

2. Approval of Minutes

Chair Sanford asked if there were any comments or changes to the April 12, 2022 meeting minutes and there were none. The minutes were approved.

Chair Sanford asked if there were any comments or changes to the May 12, 2022 meeting minutes and there were none. The minutes were approved.

Chair Sanford asked if there were any comments or changes to the May 18, 2022 meeting minutes and there were none. The minutes were approved.

Chair Sanford asked if there were any comments or changes to the June 9, 2022 meeting minutes and there were none. The minutes were approved.

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3. Public Comment (General) (00:04)

- Carlos Tapang had signed in to speak virtually. Decision makers need to take code into account regarding benefits to the community.

There were no further requests to speak.

4. Regular Business (00:06)

a) Neighborhood Meeting and Community Conference: Milano Issaquah Apartments Project, (I)

Presented by Valerie Porter, Associate Planner and Hossein Khorram, Milano Apartments & Townhomes

Porter presented the staff presentation. No decisions would be made at this meeting. All site and design questions would be directed to the applicant and review and permitting process questions would be directed to staff, only.

Khorram presented the applicant presentation.

CHAIR SANFORD opened the meeting for public questions and comments. (00:30) Speakers present would be called first followed by those participating virtually.

- Kyle Lyebyedyev, Covington, WA, stated being a Contractor and that the Milano project will provide significant relief to the housing crisis in the area, also attracting more people into the city and subsequently more business investments. Washington State is ranked 50th in a housing study for housing numbers.
- Paul Hess, Kenmore, WA, stated appreciating that the project is referred to as in development rather than in planning, and stated positive characteristics of the applicant. Hess asked Khorram why the project would be special for Issaquah.

Khorram replied that a stronger connection between people and nature is proposed.

Hess asked Khorram why extra steps such as LEED certification are important.

Khorram replied that not valuing and disposing of assets is a problem and the environment should not be ravaged as it has been.

- Paul Glumaz, Seattle, WA, had signed in to speak but deferred to the next speaker.
- Richard Toban, Seattle, WA, stated that there are not enough affordable locations for people to live in Washington, and people are selling and leaving the state.

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- Ed Kotlyar, Bellevue, WA, stated living in the Milano Bellevue apartments and praised management there. Kotlyar stated appreciation of extra efforts such as LEED certification and affordable options. The Milano Issaquah apartments would be a positive addition to the city.
- Matthew Patrick Thomas, Seattle, WA, stated that the building will be better looking than an open field and spoke to the positive character of Khorram. The project could be an example for future projects. Thomas asked about job creation and tax revenue.

Khorram replied that the impact phase - sales tax and B & O tax, in example, could bring approximately \$10 million to the community.

- Anita Roberts, Bellevue, WA, stated having known Khorram for many years. The project is extremely green, and Roberts stated that Khorram could be trusted to follow city regulations.
- David Tegeler, Maple Valley, WA, stated being a licensed and professional Engineer and praised the building ethics of Khorram. The Commission will need to pay attention to the amount of paralysis by analysis versus development time.
- Bradley Corner, Newcastle, WA, stated that Khorram should consider asking the Commission to reconsider the buffer reduction and that the after-condition will fit into the corridor. The proposed trail will encourage people to learn about the stream corridor. There should be no loss of housing units, balanced with enhancement and protection of the stream corridor.
- Landon Halverson, Issaquah, WA, stated that there is a need for more affordable, desirable, and eco-friendly housing and Milano Issaquah apartments are what Issaquah needs. Renters are having conversations regarding moving out of Issaquah due to rent prices. There is a supply and demand imbalance. A developer making the effort to reach out to the community should be rewarded. The Milano Issaquah apartments meet code and should not face setbacks.
- Bob Hagglund, Granite Falls, WA, stated that the bigger picture as in health, environment and children should be considered. The higher housing prices are due to low inventory, and high rents force choices regarding spending on healthcare, in example. The next generation will not be able to stay in the community. Adding more units built responsibly to code improves quality of life. Hagglund asked Khorram for the percentage of electric vehicle charging stations.

Khorram replied that 10% is required by code but that 30% would be provided to be ahead of the future.

Hagglund stated that a problem will be solved for the future.

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- Ditos Datancidy [sp], Seattle WA, stated that the project should be approved as rules are being followed but also above and beyond. Supply is needed in the market.
- Ken Moninski, Maple Valley, WA, asked Khorram what has been worked on in the three years of the project so far.

Khorram replied that the COVID pandemic was a challenge to the process. Issues have needed to be addressed to meet code.

Moninski asked Khorram when the building would be ready to be occupied after permits are granted.

Khorram replied that current Land Use code will expire at the end of 2022. The building permit application should be turned in within two to three months, with hopes to begin building in Spring 2023. There are time, interest rate and world affair concerns.

Moninski stated concern that responsible developers will be discouraged throughout the region if the project is not allowed to move forward.

- Beth Daranciang, Seattle, WA, stated being impressed with the level of work in the project and that developers who meet and exceed code should be rewarded by quickly approving projects.
- Valeriy Goloborodko [sp], Bellevue, WA, stated knowing others who speak highly of Khorram. As a fellow immigrant, hard work is appreciated, and the environmentally responsible project proposed will improve the community for the next generation.
- Bruno Kelpsas, Snoqualmie, WA, stated doing volunteer work that exposes the housing cost crisis, impacting everyone, and urged the Commission to consider the project. Kelpsas stated appreciation for the workmanship in the projects of Khorram.
- Michelle Darnell, Kirkland, WA, stated that there is tension between care and concern for the environment and human life. Darnell praised the character of Khorram. The cost of building and the lack of affordable, buildable land is causing the supply and demand issue. The permitting process and regulatory environment creates barriers to meet supply needs. Darnell asked Khorram for the date the process had begun.

Khorram replied July 2019.

Darnell asked Khorram for the approximate increase in cost of the project in a percentage.

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Khorram replied that the construction cost increase has been 30% to 40%. Consultant fees are ongoing.

Darnell stated appreciating the persistence of Khorram and asked how cost to the end user tenants would translate.

Khorram replied that there is a misconception that the developer pays all costs and unfortunately cost is passed to customers, except for affordable units. The human factor must be addressed.

Gieser stated that speakers participating virtually would now be called on.

- Carlos Tapang stated not being able to make a comment due to noise. Gieser stated that Tapang would be called on later for testimony.
- Susan Neville stated living across from the proposed development and appreciating the willingness of Khorram to bring more housing to the area. There is a conflict between design and the Issaquah Comprehensive Plan regarding density. The project must fit with neighborhood character and consider the coming Mountain to Sound Greenway and Cougar Mountain. Replacement of trees and vegetation will stand out, and there needs to be more clarity regarding reducing affordable units. The Newport Way distance deviation should not be granted without further deliberation as the area is prone to fast drivers.

Khorram replied that regarding neighborhood character, residential neighborhoods to the west on Newport Way are zoned residential but that to the east, the zone is Central Issaquah District consistent with the downtown area. The particular property is in the "Traditional Issaquah" area and allows certain facades and configurations, section 2.0 of Architectural Development and Design Standards. Northwest Revival and Northwest Contemporary are the choices for Developers. The different Milano locations are similar in design. Khorram asked Matt Driscoll, project Architect, to join the discussion virtually but was not able. The Density Bonus program is designed to help the city. The Architect has addressed the site distance. Khorram stated wanting to voluntarily include affordable units.

The Transportation Engineer, Spenser Haynie with Transportation Engineering Northwest (TENW) stated that a raised intersection will be installed, and advance signs will be provided by the Milano project. Northbound and southbound turn lanes will also be installed on Newport Way.

Khorram asked to meet Neville in person to discuss the project. The goal is to create a more pedestrian and bicycle friendly neighborhood.

- Tim Kimble stated the hope that the Development Commission will take bold action in protecting the wetland. There are two large projects to the north and east of Milano.

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While it is unlikely that the city will purchase the wetland property for preservation, the project should adhere to the strictest guidelines possible including sufficient parking without overflow, suitable setbacks, and studies of all aspects of critical areas. The Newport Way corridor is seeing a dramatic surge in traffic. There are traffic and growth management problems in Issaquah, but the housing problem cannot be built out of. The Milano project will not reduce the cost of rent and rental costs did not drop after the development of two significantly larger projects, Anthology and Atlas, in the area. The city should proceed with caution where there is a potential for flooding. Construction staging, operation of equipment, and traffic safety on a two-lane road have not been discussed. The scale of the building does not fit the area.

Khorram asked to meet with Kimble in person to discuss the project. Regarding the scale of the building, the area was zoned Village Residential Medium Density before the property was purchased. The zone was intended to provide housing or commercial activities. Parking meets code. Khorram stated owning a parcel across the street and suggested organizing carpools to eliminate the need for a car. Code must be respected to serve the public. Landslides should not deter future generations from enjoying Issaquah, a holistic approach.

- Mario Frezzini, a tenant at the Bellevue Milano apartments, stated that there is a need for older people to have living options. Affordable housing is important for the well-being of communities. Developing in a controlled way brings benefit.
- Kay Elmer stated that opposition from the neighborhood is around the rapid progression of large developments in a small area, now almost 1,000 units. The community has been gracious in extending welcome despite traffic and intrusion. The project will add even more density -104 units in 1.3 acres is a lot of concrete in a small amount of space. Buffer reduction should not be granted and open livable space available needs to be discussed. Elmer stated being a supporter of low-income housing, but that the Milano project will provide two to four units dedicated to people in the low-income category and the bulk of tenants will be paying high rent because of the value of the property. Elmer appreciated the sincerity of the Developer but stated hoping the reason for pushback is understood.

Khorram asked to meet with Elmer in person to discuss the project. The number of units will reduce due to setbacks and between and 10 and 20 low-income units will be available. Regarding the number of units being built, the decision was made prior to the purchase of the Milano project property by city Council and staff through public hearings to zone the area Village Residential to serve the future needs of the community.

- Carlos Tapang stated that what makes a community dynamic should be considered, allowing business to grow. Code should be followed after having been through the code process. Tapang stated preferring density to sprawl.

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CHAIR SANFORD asked for comments from anyone present who had not signed up but who would now like to comment.

- Connie Marsh, Squak Mountain, stated that actions and not words would be what ultimately will reflect on the Developer. Regarding stormwater, the development interfaces with the municipal stormwater system, changing this in a manner that is not understood. There have been problems with an outfall that has overflowed and eroded wetland buffers. Marsh asked for clarification regarding the status of a well on the property, exempt or water right. During rain events, significant flooding occurs downstream in the gateway property into the stormwater system impacting wetland around I-90 and has not been addressed. Wetlands on the WSDOT mitigation parcel overflow into Schneider Creek and wetland delineations are incorrect. Stormwater sheet flows across Newport Way and plans do not show how the water will be handled after installing a raised road. Significant trees have been taken down since 2018 on the property and should be counted as original trees. Wetter winters are predicted, and detention may need to be upsized. A recreation area for the large number of tenants is not seen. A small amount of commercial use could be located on the first floor because of the distance to shopping and to help with traffic.

Khorram asked to meet with Marsh in person to discuss the project. Regarding trees removed, a survey was done on the property when purchased in 2019, and all trees are present having been tagged by the arborist.

Michael Moody, Civil Engineer, stated trusting the Washington Department of Ecology, King County, and city of Issaquah stormwater manuals. The current manual states that the predeveloped condition must be assumed to be forested, and discharge rates cannot exceed the predeveloped calculated discharge rate. The detention system provides volume that matches the manual. The buffer will not be impacted as a connection will be made outside of the buffer area with a new system. Water quality requirements will be met. The Milano project is in support of and trusts the stormwater manual.

- Jack Goldberg stated that there will be 104 units with 90 parking spaces, that the closest grocery store is two miles away, and asked what data had indicated that only 80% of residents would have one car, and not two, and where parking will be available if not in the underground lot as there is no parking allowed on the street.

Khorram replied numbers come from Issaquah Municipal code. At times code may not stand up and neighbors will be consulted to organize carpooling.

Goldberg stated that distance to services requires a car. Carpooling is good but while one car is used for carpooling, the other tenants in the carpool most likely will still have a car left at the project. There is no parking on the street.

Khorram stated that code is being met and gone above.

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- Goldberg stated that theoretically following code in a situation is good but asked if this is realistic in this case to manage the cars at the complex and asked how many tenants will have two cars.

Khorram replied that if codes are questioned and not met, there will be a lawless nation and that elected officials, the process and staff need to be respected. The laws can be changed through the process.

- Goldberg asked again what would be done with the extra cars.

Khorram stated that mitigation would occur if needed.

CHAIR SANFORD asked for comments from anyone virtually present remaining.

- Mary Lynch stated being a Mechanical Engineer and familiar with Village Residential. The intention was to have less density than downtown, but Mixed Use was also part of the plan to reduce traffic into downtown. There are no plans for bus systems along Newport Way. People who have worked with Developers and will live with the results need to be consulted. Because codes are not always correct, answers in writing regarding delivery issues, blocking of Newport Way and parking are needed. Mixed Use allows people to recreate and stay in the area and there are no outdoor areas apparent. A paved pathway is not an alternative. More on-site areas in consideration of children and visitors in the community are needed. Biking is not always an option in the climate of the area and walking along Newport Way in rain is not accommodating yet is to code. A long-time owner should experience these situations and be a part of improving code. Site lines that have become an issue at another development haven't been accounted for in studies. Black ice on the steep hill is an issue and in example, the new roundabout caused several incidents last winter. All is to code, but real things happen, and the hope is that resident observations should be considered and not only code, for realistic livability. Construction processes along Newport Way need to be mitigated for residents.
- Carolyn Mell stated having experienced challenges looking for housing and having been disappointed that there were no realistic options in Issaquah. It is almost impossible for people who want to downsize or get started to find housing. It is important to mitigate nature but also important to balance with places where people can live and thrive.

CHAIR SANFORD closed public comment and asked Khorram to respond to the last two comments. (02:38)

Khorram replied that regarding Mixed Use, a restaurant, in example, results in more transient traffic from out of the area, and the economy should decide what is best for an area. Regarding planter strips and site lines, there is a strict standard against planting anything that

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can grow above a specific height, and shrubs will be trimmed. Entertainment in the neighborhood will include artificial streams with educational signs regarding the environment, not only for the Milano property. Visitor parking meets code, but overflow will be organized. Construction activity is required to be addressed such as hours and traffic impact.

COMMISSIONER DILLON stated that there is a buffer reduction credit for removing existing impervious area, but the area will be filled with another impervious surface and encouraged Khorrām to investigate if soils will be receptive to drainage, as runoff could be created over the site. Khorrām replied that gravel is impervious as defined by code but within code. COMMISSIONER DILLON stated that the planting plan shows a net benefit to the buffer.

COMMISSIONER IKEDA asked if the Fire department has been coordinated with regarding access. Khorrām replied yes, but any further issues that arise will be addressed. COMMISSIONER IKEDA asked for clarification that the Fire department has concurred regarding approaching a fire on the side opposite the access road. Khorrām replied there is an easement with the neighboring property and alignment should not be an issue. Approval won't be given if code is not met. COMMISSIONER IKEDA stated anticipating dewatering and slope stability issues along Newport Way to address and Khorrām replied that a Geotechnical Engineer is working on the project. H piles and shoring are required. The final report will not be finalized until the building footprint is answered hopefully next week.

VICE CHAIR SHORE asked for clarification that the community space requirement has been met per the second package. Khorrām replied that area is being added to the north of the building, roughly 2,000 square feet. Revisions are still being made and code will be met. VICE CHAIR SHORE asked if there have been similar parking issues to mitigate at the other Milano properties of the Developer. Khorrām replied that each property is unique in size and demographics. VICE CHAIR SHORE asked if paid or reserved parking was the plan and Khorrām replied paid. No Parking signs were installed in other neighborhoods and another possibility would be by permit.

COMMISSIONER BRENNAN asked for clarification regarding plans for use of the first floor and the pedestrian experience with the façade. Khorrām replied that the intent of the code is to bring life to the street and integrate the community, occupancy to the road. COMMISSIONER BRENNAN asked if a retail use such as a coffee shop was being considered. Khorrām replied that places with medium density tend to not be compatible with retail traffic, food smells. Transient traffic would come to the property and neighborhood.

COMMISSIONER MORGAN suggested that the view of the building wall driving down Newport Way is blank, against code, and canopies along the ground floor level could be an answer, for weather protection and to break up the horizontal wall. Khorrām replied that staff has brought the façade up and will be worked on.

VICE CHAIR SHORE stated that overall, the project improves buffer habitat and the site. Regarding parking, Khorrām should consider the surrounding area despite code. VICE CHAIR SHORE stated not being in support of changing buffer requirements that should remain at

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15%, an intentional decision in code. The raised intersection will calm traffic. There are pervious systems that could be used if soil supports on the path. Khorram replied that 15% buffer is the plan.

CHAIR SANFORD asked about a deviation requested and Khorram replied that frontage for Road A was an issue resolved. Porter replied that staff has determined that an Administrative Adjustment of Standards (AAS) would be needed. Khorram replied that design will be to code without deviation.

5. Reports (03:07)**a) City Council Update**

Presented by Valerie Porter, Associate Planner

Porter stated that there were no reports.

6. Other Business/Announcements**a) Upcoming Schedule**

Dhaliwal stated that a Planning Manager is being recruited with interviews being held on July 15, 2022. Any questions or input from the Commissioners is welcome as the position is a liaison for the Development Commission.

7. Adjournment

- With no further business to conduct, CHAIR SANFORD adjourned the meeting at 9:09 p.m.

Respectfully submitted,

Carolyn Garza, LLC
Recording Secretary