

Planning Policy Commission  
1-25-18

**CITY OF ISSAQUAH  
PLANNING POLICY COMMISSION  
MINUTES**

January 25, 2018

City Hall South  
Council Chambers

135 E. Sunset Way  
Issaquah, WA 98027

**PPC MEMBERS PRESENT**

Joan Probala, Chair  
Ron Faul, Vice Chair  
Victoria Hunt, Alt.  
Troy Rahmig  
Jon Stob  
Lindsey Walsh

**STAFF PRESENT**

Trish Heinonen, Policy Planning Manager  
Keith Niven, Economic Dev. and Dev. Services Director  
Christen Leeson, Senior Planner  
Jen Davis Hayes, Economic Development Manager  
Jeff Watling, Parks & Recreation Director

**COMMUNITY MEMBERS PRESENT**

Kari Rowley Magill  
Connie Marsh  
Kathy McCorry  
Mel Morgan, Jr.

**CALL TO ORDER**

PROBALA, Chair, called the meeting to order at 6:30 PM. She welcomed members of the Central Issaquah Task Force and other audience members to PPC's discussion tonight, and asked non-PPC members to introduce themselves.

**DOCKET UPDATE**

Heinonen said the new Mayor expressed interested in the Comprehensive Plan amendment docket that PPC reviewed earlier in January and asked that two items be added:

- *Transportation Element: a tactical revision regarding the ST3 policies, including the ST3 spur and maintenance yard, and related information; and*
- *Land Use Element: expand on docket item #5, policy direction regarding building on slopes to include policy direction that prioritizes acquisition of forested hillside lands, and lands that enhance connections to public lands.*

She said unless there are objections from PPC, these two items will be added to the list of 16 docket items that PPC previously recommended for approval.

**APPROVAL OF MINUTES**

PROBALA suggested action on PPC minutes pending approval be deferred to the next meeting as they were not included in tonight's agenda packet.

**MEETING SCHEDULE**

Jeff Watling, Parks and Recreation Director, discussed upcoming joint meetings planned between PPC and the Park Board. He described staff's recent work on the City's new Parks Plan with the Park Board, including work with a consultant, to look at our existing park system and create a systemwide vision for a more connected park system. He proposed a joint meeting on February 8 with the Park Board, PPC, and the consultant. He described the outcome staff is hoping to produce for the Green Necklace and a product that will help inform the Parks Plan as well as be an element of the central Issaquah vision work. PROBALA asked will any information be available in advance

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of the February 8 meeting for PPC members. Watling replied yes, and gave details about what would be provided in advance. WALSH asked whether information from the recent online survey would be included. Watling explained how the results of the survey are reflected in the draft plan.

### **INFORMATION SHARING: Transit-Oriented Development Project Update**

Davis Hayes introduced two team members working with the City on the TOD project: Dan Landes from the King County Housing Authority and Hal Ferris, Principal with Spectrum Development Solutions. She described the history of the public/private, mixed-use, transit-oriented development (TOD) project, including a project overview. She gave more details about why the project is being undertaken by the City; how the project will fulfill the City's goals for housing and TOD; a general project timeline; and the work expected to be done in 2018, leading to construction in 2021. She also displayed a list of City Council meetings at which the project has been discussed from February to December 2017, and which are available for viewing on video.

She continued her presentation with an aerial photo of the TOD project site, and gave details about the features of the project, such as the proposed range of unit sizes. HUNT asked would the final configuration of units be addressed in a development agreement. Davis Hayes replied yes.

Hal Ferris made some comments on the project from his perspective, especially the difficulties in getting control of the property from the current occupant, Century Link. He described the process of working with the City as an ongoing effort that will lead to the point where construction can begin in 2021. He briefly addressed the question of how the project will be financed. Dan Landes continued with comments on financing, including receiving \$10 million from the County for the project in exchange for building 40 percent affordable housing units. Landes explained that the expectation is that the project will provide 176 units of affordable rental residential units, serving people in the 30-80 percent range of the area median income, and another 185 units of market-rate residential units.

FAUL asked how many stories are anticipated. Ferris replied we expect five stories of residential above one story of commercial, with underground parking. Magill asked what is the parking ratio. Ferris said the City allows .8 stalls per unit and .6 stalls per studio; right now, we are planning for .8 stalls per unit. PROBALA asked will all units be apartments. Ferris replied yes.

He continued with an explanation of how the project will be financed, and noted that in addition to the \$10 million from the County, another \$2 million came from ARCH. The City is not providing any funding for the project, he noted, and it is expected to take 40 years to pay off the debt and investors. Magill noted many projects like this one do not have reserve funds set aside, and it's possible that some long-range fundraising may be required. Landes added that 155 of the units will be King County Housing Authority units, and we will be seeking tax credits with an investor partnership for 15 years. He explained KCHA's comparable experience and results from a project with the City of Redmond.

PROBALA asked whether the City's recently adopted design standards for Central Issaquah would apply to this project. Ferris replied yes, although we will seek to work with the City on some of the standards on which we have concerns. Davis Hayes noted that would be part of the development agreement process.

Ferris gave more details about the plan to create shared amenities intended to help foster a single community rather than two separate ones. A lot of the elements will be the same between the affordable housing portion and the market rate portion of the project, he added.

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Davis Hayes continued her presentation on the Opportunity Center, and explained the public benefit of the project, with 10,000 square feet of commercial space and expanded human services available to the community. She gave a timeframe for identifying and moving forward with letters of intent from nonprofits and the public benefits that will come out of the project. She discussed TOD funding, noting that the project budget is \$124 million, and listed the sources of funding. She also discussed the proposed multi-family tax exemption (MFTE) mechanism for this project, property tax information, and the value of the project to the City.

FAUL asked what is the impact to the City's finances. Magill noted the project will raise property values of all the properties around it, which increases the tax base for the City as well. Davis Hayes agreed, and said it is difficult to quantify the benefit of adding 176 units of affordable housing, creating new public space, and fulfilling the City's objective of getting more affordable housing in its downtown core. Ferris added the City is not investing any municipal funds in the project, but will collect more in property tax as a result of the project.

Davis Hayes continued with a discussion of the two memorandums of understanding that will be required; actions expected to take place in the next two quarters; next steps; and a tentative schedule of community meetings and development agreement discussions.

STOB asked has there been any discussion of using the Sound Transit parking garage right next door to the project site. Davis Hayes said she is not sure that oversight parking is allowed in the Transit Center, but there may be ways to utilize that, and staff will be in contact with Sound Transit about it.

#### **DISCUSSION: Central Issaquah District Visions**

Niven described the work done on visions in December 2017 and what PPC was tasked to do by the Council. He showed a schedule of proposed PPC meetings in February: February 1 (small cell wireless technology), February 8 (joint meeting with Park Board), February 15 (visions), February 22 (joint meeting with Park Board), and February 28 (vision wrap-up). He asked for some feedback from the Commission about how realistic the schedule is for completing this work by April. After some discussion, the Commission agreed to the proposed schedule, subject to being able to secure quorums for the meetings.

PROBALA suggested the participants focus on the four "buckets" tonight, specifically the proposed language for the livable, distinctive, connected, and sustainable descriptions, plus the vision statement. PROBALA added she would have liked to have seen more of the comments PPC made during its last discussion incorporated into the information that was sent in advance of tonight's meeting.

Magill said there is a big difference between developing a vision that is aspirational and one that is codified. PROBALA agreed, and said we should be thinking of this effort as aspirational.

Niven explained the "Notes" section on page 7 of 16. He reminded participants that this Central Issaquah Subarea section is one small chapter, specifically pages 15-22, of the larger, overall Central Issaquah Plan. He also noted that minor wordsmithing and cleaning up inconsistencies in language and references can take place apart from PPC's discussions. He also explained that staff is proposing adding "... and shall comply with the 'Developer Obligations' identified in the Neighborhood Visions" to IMC 18.19.A. From a legal standpoint, he continued, this is the tool that will allow the City to enforce the code at a neighborhood level.

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The participants discussed whether “shall comply” or “shall strive to comply” was preferable in the statement “... and shall comply with the ‘Developer Obligations’ identified in the Neighborhood Visions,” especially whether “shall comply” provides enough flexibility for developers. McCorry said she is concerned that the vision not be too prescriptive in nature, which could hurt business development in the future. There should be room for a creative process by developers so that Issaquah can continue to have a unique look and feel, she said. HUNT expressed her concern about the use of words such as “celebrate,” which are subjective and can be confusing. Niven explained how more clarity will lead to more predictability and better results, as well as fewer code amendments.

After some discussion, PROBALA said the general consensus seems to be that “shall comply” is acceptable. Niven reviewed the reasons why the City is undertaking this effort to be less ambiguous. Magill noted if too much is mandated in the guidelines, and developers don’t know the costs of projects as a result, then projects will not get built. HUNT added a lot of the words here could be interpreted in multiple ways, and could be confusing for developers. Niven suggested that in the interests of moving this forward, participants focus on the task at hand, using a “small bite at a time” approach suggested by STOB, and resist looking at problems with how the result may or may not be used.

Marsh commented that her take is that this is creating a lens by which staff and the community can work with the developers to create what is envisioned. Staff has only been using code, not using visions and that is what has been missing, she noted. STOB added his understanding is that this is a tool that the Development Commission and staff need in interfacing with developers because the existing guidelines are either not strong enough, or are too specific. As a result, the City often had to concede to developers because the language to back up what the City was envisioning wasn’t there. Niven confirmed that is correct.

MORGAN said his experience is that the City’s existing standards gave direction for the “box,” such as the height and dimensions, but no design guidelines about what that box should look like. The design guidelines are giving us that tool, he continued, and having the vision piece will also give us another tool for ensuring we get the things we want, both in the City center and in each neighborhood. He added he thinks it is a good idea to state “shall” in the code and also allow developers flexibility when working with the City.

PROBALA asked for general comments about pages 7, 8, 9, and 10 of 12, which speak to “livable,” “distinctive,” “connected,” and “sustainable.” There was general agreement that the photos and use of color are good additions, and that the format is moving in the right direction. There was also general agreement that tying the statements in each heading back to the policy chapters is helpful.

Niven presented the bullets in each of the four categories for participants’ comments. Commissioners offered edits, suggested where bullet points could be eliminated or combined, made word suggestions, and so on. Among the most significant suggestions were the following:

**Livable:**

- Include something about “the community staying safe” as an important part of livability.
- Include a reference to parks.
- Possibly use a reference to “cultural opportunities” in this section as well as in “distinctive.”
- Include reference to have daily needs available in close proximity to where residents live.

**Distinctive:**

- Break the first, lengthy bullet into two statements.

- Possibly reference the City's "brand" (outdoor recreation) here.
- Include more context for some of the brief bullet points.
- Include reference to "create green streetscapes that are people oriented."
- Combine references to "history respected" with references to architecture and the last bullet.
- Suggest including a reference to "facilitate healthy lifestyle."
- Amplify references to unique public spaces (people places), such as "identifying and protecting key corridors, recreational amenities, and family friendliness.
- Suggest including wording about "beautifully maintained and welcoming space for people within an urban environment."
- Add reference to signage component, and use an image of a City park signage/graphic.

FAUL initiated a discussion of whether another category to specifically address Economy, or Economic Development, would be a good idea. Commission discussed the idea. Leeson noted that a chapter on Economic Vitality already exists in the overall plan. After more discussion, the participants generally agreed that a new section was not necessary, but that the bulleted items would be easier to comprehend if they were grouped by the Policy Chapter to which each is linked, such as Urban Community, Housing, Connectivity and Mobility, and so on.

#### **Connected:**

- Shorten the first bullet.
- Include a reference to recreational trails as part of the City's transportation system.
- Clarify "human size."
- Identify a better picture to illustrate blocks.
- Include a reference to planning for and supporting a Sound Transit station as part of the connectivity system, not just a facility.
- Address the City's intention to continually work toward a better transportation system, even before light rail, as well as beginning conversations about light rail.
- Consider language that speaks to "fun," "awesome," "enjoyable," and so on.
- Review reference to "branded" signage; consider "attractive" signage, either here or in distinctive category; include a reference that signage should be consistent with the overall plan.
- Suggest including a reference to weather protection; well maintained; efficient to get around when walking; and a connectivity network that utilizes pathways.
- Emphasize efficient and convenient.
- Possibly change to "create safe and comfortable" travel routes.
- Reword bullet about "choices that do not require physical travel," and/or possibly eliminate it.
- Include a reference to the City's commitment to providing infrastructure and technology for wireless connectivity.

#### **Sustainable:**

- The opening vision statement is negatively stated and should be reworded more positively.
- Several bullets that pertain to "protect and restore" are redundant and could be combined.
- Consider using phrase "restore and enhance natural features."
- Clarify what "provide adequate infrastructure" means.
- Consider eliminating reference to "ensure growth pays its share."
- Move bullet about "goods and services necessary to meet daily needs" to livable section.
- Clarify what "Green Initiatives" and "Smart City initiatives" mean and provide some context.
- Address resilience to climate change and add a reference to alternate energy sources.

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### **Vision Statement for Central Issaquah:**

Niven displayed versions of the vision statement for Central Issaquah submitted by Commissioners as part of their “homework.” Participants read the submittals and made comments on the proposed versions. It was generally agreed that participants like the first version with a few minor edits (“Central Issaquah is an environmentally rich, vibrant, and prosperous community where people live, work and play and that connects people to nature, destinations, and businesses.”). It was also generally agreed that some of the supporting statements in the City’s original version, particularly beginning “... Central Issaquah will be distinguished by community amenities...” are valuable and should be carried forward in the sentences that follow the main vision statement. Other suggestions were to include a reference to “small town” and/or “family friendly,” although support for including that language was not unanimous.

PROBALA asked staff to repackage a final version of the vision statement based on tonight’s reactions by participants for their review and suggestions. Participants were asked to e-mail their comments directly to staff (not to fellow Commissioners), and staff will strive to create a single version for final review when the district visions are discussed again on February 15. Niven added discussion at the February 15 meeting will focus on the first two neighborhoods. He said staff will prepare “homework” for that discussion in advance of the meeting.

The participants briefly reviewed the structure of the vision and plan objectives, including the four “buckets” (livability, distinctive, connected, and sustainable), and agreed the structure is satisfactory and should be retained.

### **AUDIENCE COMMENTS**

Steve Pereira, 170 NE Dogwood, Issaquah, expressed his concern about making sure the vision statements speak to the natural environment, the Green Necklace, and the environmental importance of the area, especially to its residents.

MORGAN introduced Kim Pearson, graduate student at the University of Washington, and said he invited her to attend tonight’s meeting to view PPC’s deliberations. Pearson expressed appreciation for the opportunity.

### **OTHER/ADJOURNMENT**

With no additional business to conduct, PROBALA adjourned the meeting at 9:36 PM.

Respectfully submitted,

Susan Lowe  
Recording Secretary