CITY OF ISSAQUAH
PLANNING POLICY COMMISSION
MINUTES

July 12, 2018

City Hall South
Council Chambers

135 Sunset Way
Issaquah, WA 98027

PPC MEMBERS PRESENT	STAFF PRESENT
Joan Probala, Chair	Trish Heinonen, Planning Policy Manager
Ron Faul, Vice Chair	Christen Leeson, Senior Planner
Bill Rinehart	Keith Niven, Dev. Svcs. & Econ. Dev. Director
Jamie Rosen	**EXCUSED ABSENCES**
Lindsey Walsh	Joy Lewis
Jason Voiss, Alt.	Troy Rahmig
	AJ McGauley, Alt.

1. CALL TO ORDER
PROBALA, Chair, called the meeting to order at 6:33 PM.

2. APPROVAL OF MINUTES

a) MOVED BY FAUL, SECONDED BY RINEHART that minutes of the June 28, 2018 PPC meeting be approved as presented. MOTION CARRIED BY UNANIMOUS VOTE OF ALL PPC MEMBERS PRESENT.

PROBALA introduced VOISS, new Alternate Member on PPC.

3. AGENDA ITEM

a) **PUBLIC HEARING (Continued from June 21, 2018)—Olde Town Subarea Plan (D)**

Leeson made staff's presentation. She gave background on the deliberations and public hearings held to date on the Olde Town Subarea Plan update, including recent amendments from the Administration that have been proposed since the last public hearing on June 21, 2018. She noted all the proposed changes are in the version of the plan that appears in the agenda packet, and are briefly described on pages 11-12 of 31.

PROBALA noted use of the term "small-town…", such as in the "Quality of Life" section, isn't very descriptive of Issaquah today, in her opinion. Staff made a note of it.

FAUL referred to item 2.9, "Increase the availability of parking spaces within Olde Town by reducing the abusive use of free parking…", and asked where are people supposed to park when they want to shop in Olde Town. Niven said that was added in response to input the Administration has received about having retail on Front Street that serves both tourists and local residents. He gave examples of redevelopment that would be geared more toward serving the surrounding neighborhood, such as a grocery store. One of the City's potential incentives to encourage that kind of development might be to not require parking, he continued. That would be a policy decision that would then be reflected in the City's code. Another approach would be to just let the market dictate what develops on Front Street, he said. WALSH said it would be good to know how a "neighborhood-oriented business" is defined. A grocery store in Olde Town, for example, might be something the City would want to incentivize, she added.

ROSEN asked what are the current parking requirements for Olde Town versus the rest of downtown Issaquah. Leeson replied the parking requirements are lower than in some other areas of the City, but not as low as they are in Central Issaquah.

Leeson continued staff's presentation on the option to change the northern and southern boundaries of Olde Town. She said over 150 letters were sent to residents and business owners affected by these options and included information about tonight's public hearing. Staff received four responses, she said. PROBALA asked whether staff did any door-to-door visits to generate conversations with the public on this issue. Leeson replied during the week following PPC's June 21 meeting, staff sent out the notification letters, but no door-to-door contacts were made.

She outlined the four boundary options as follows, and showed them on a diagram:

- Option A: Leave boundaries, both north and south, as they now exist.
- Option B: Leave the south boundary as is and add Old Route 10 to Olde Town.
- Option C: Change the south boundary and leave the north boundary as is.
- Option D: Change both the north and south boundaries.

PUBLIC COMMENT

PROBALA opened the meeting for public comment at 6:54 PM.

Chris Craven, 580 South Front Street, Issaquah, said speaking as a resident of Olde Town, she did receive the City's notification letter. However, she continued, the letter did not include adequate explanation or links to background information. She said her questions are as follows. What are the advantages and purpose of taking the southern portion out of Olde Town; what would it mean to residents; what other standards or overlays are applicable if it is taken out; how would zoning and connections be impacted; and would the change fit in with the rest of the neighborhood. She added that she would like to hear exactly why a change in the southern boundary is being proposed.

Tyson Garbusjuk, business owner of Boehm's Candies, 255 NE Gilman, Issaquah, said he did not recall getting a notification letter. He referred to PPC's previous discussions about changes to the Destination Retail (DR) land use designation for businesses in Old Route 10, and said he favors retaining the development standards solution that PPC agreed to at its June 28 meeting.

Steve Pereira, 170 NW Dogwood Street, Issaquah, said he thinks the process for determining Olde Town's boundaries has not been adequate. It needs a broader community conversation for both the northern and southern boundaries, he added. He continued the area on Old Route 10 where the road narrows to one lane is being proposed to be added as part of the northern boundary change, but it doesn't seem to fit the scale and character of Olde Town. He said the City is still approaching design standards from what the developers want rather than what the community wants; the goal should be to develop more of what residents want, not just increase density. He concluded allowing formula-type businesses, even if they are subject to Olde Town building and design standards, will result in a loss of character for Olde Town. Olde Town does not have an established homeowners' association the way that other neighborhoods do, and residents will have to fight for what will be lost if increased building heights and more density are allowed.

PROBALA read an e-mail she received today at 5:00 PM from the Issaquah Chamber of Commerce clarifying their position on formula businesses in Olde Town.

Hearing no additional requests to speak, PROBALA closed the public hearing at 7:05 PM.

Commission Discussion
PROBALA asked staff to give reasons why these boundary changes are being proposed. Leeson listed the questions raised during public comment about removing the southern section from Olde Town as follows: what are the advantages, the purpose, what it means, overlays and zoning, connections, and fitting in with the neighborhood. She noted that Boehm's Candies would be included in Olde Town under both Options B and D. She said moving the southern boundary would not change the zoning, standards, school boundaries, City budget, capital improvements, or residents' ability to vote on Issaquah issues. It would mean that design standards for Olde Town, when they are adopted, would not apply to properties to the south. Adding Old Route 10 to Olde Town would mean that those design standards, when they are adopted, would apply. This means the existing development standards would continue to apply whether or not changes are made to either the northern or southern boundary, but the design standards could change for the north, depending on which subarea the City Council ultimately decides it belongs to, and to the south if that area is ultimately kept within Olde Town or removed. Niven briefly described the advantages and disadvantages of being included in Olde Town, depending on one's perspective on being subject to increased City regulations. Leeson added in response to the concern about mobility connections, connections are citywide, not subarea-wide.

RINEHART asked about Boehm's Candies specifically. Would the applicable code change for them if Old Route 10 was brought into the Olde Town subarea. Niven replied the design guidelines that address mixed-use would affect them if the Council ultimately decided that properties in Old Route 10 should be included in Olde Town. So that is a possibility, he stated. Leeson said the same possibility of change in design standards is true of the southern boundary. There has been some discussion of expanding single-family and duplex design standards for Olde Town, she continued, and if those properties remain in Olde Town, those standards would apply to them.

PROBALA asked staff to go back to the map on display and show which properties would be within Olde Town's boundaries and which would be out under the four options.

WALSH said her understanding is that PPC looked at the Central Issaquah Plan and saw that Old Route 10 was included. It didn't make sense to keep it there, she continued, because the Central Plan was all about how to encourage taller buildings and more density. So it was PPC's thought that Old Route 10 not be included in the Central Plan. However, it had to be part of some subarea, or become a very small subarea on its own, she continued. We talked about including it in Olde Town, and it seemed like a good fit in many ways. While we were considering boundary changes, she concluded, we also looked at whether a change in the southern boundary that would eliminate a lot of property taken up by public schools, ballfields, and wider, more open spaces made sense.

RINEHART asked what would happen if Old Route 10 is not added to Olde Town. Leeson replied in that case, a separate decision would be required about the right subarea for Old Route 10, and that decision would not take place until this fall.

FAUL asked what would happen to the design standards for the southern properties if the southern border was changed as has been proposed. Niven explained potentially there could be changes as part of a larger discussion that would take place in the future about design standards outside of Olde Town. The development standards would not change, he added.

PROBALA asked would there be any effect on school district property boundaries. Leeson replied no.

ROSEN asked for clarification on the function of dividing the City into subareas. Heinonen explained because the City is large and comprised of many separate areas, the Administration has divided it into separate subareas based on attributes. She explained that some subareas originated from annexations as well. ROSEN asked what is the rationale for considering removing the southern portion. WALSH referred to differences between the look and feel of that area and the rest of Olde Town. Including the Old Route 10 area also came into consideration when discussing where an entrance or gateway to Olde Town could be situated, she noted.

PROBALA asked PPC members to consider what comes to mind when they hear the phrase, "Olde Town." She continued to her, "Olde Town" denotes smaller homes and businesses, not the schools and large open spaces that exist now in Olde Town's southern section. That portion doesn't feel like Olde Town to her, she continued, and doesn't fit with what the phrase "Olde Town" denotes.

ROSEN said it sounds like the subareas evolved through annexation and as a way to organize neighborhoods, and asked was there any involvement with the public on these decisions. PROBALA said there was some involvement and people were notified, but people are also busy and the response hasn't been robust. Leeson noted the process of considering the Olde Town Subarea Plan update started in 2016, and described the review and decision-making process to date. WALSH noted PPC did ask staff to contact businesses in the north about including Old Route 10 in Olde Town, and did a great job of doing that. PROBALA said that is why we are here tonight, to hear public concerns, and added the City is always open to that kind of outreach.

ROSEN asked where would the southern properties go if they are taken out of Olde Town. Leeson replied that can't be answered now, and would be a separate action.

PROBALA asked for final comments and discussion about including Old Route 10 within Olde Town's boundary and changing the southern boundary of Olde Town. She noted that PPC is an advisory body only to the Council, and the Council will be the final decision maker on this issue. She said her perspective is that the Old Route 10 area flows into Olde Town, and that inclusion makes sense because it seems like a good fit. If PPC members feel that they lack the information to make a decision about either the northern or southern boundary now, we could postpone having further discussions until after more is known about the design standards that would apply.

RINEHART added without knowing the proposed standards, how can we make an educated choice on whether to include or exclude these areas. PROBALA replied that's true, but we do have the choice to move forward with what we know now. WALSH said she feels that the Administration has proposed some changes in the latest iteration of the plan that PPC isn't really addressing.

In response to a question from VOISS, Leeson clarified on the map which properties are now included in Old Route 10.

ROSEN asked what would happen if PPC chooses not to make a recommendation on the proposed plan tonight. Niven replied all of the action items listed in the plan would be on hold until the plan could move forward toward approval by Council. RINEHART asked does the boundary change have to be part of PPC's recommendation. Niven replied no; PPC could approve the plan with the boundary "as is" (Option A). WALSH asked if Old Route 10 was not included in Olde Town, could it become its own subarea. Niven replied yes, that is a possibility.

In response to a request for a "straw poll" by PROBALA, PPC members indicated they are leaning toward Option A. She asked PPC members for any discussion items on the rest of the proposed Plan update.

FAUL said he has an aspirational idea to eliminate parking on Front Street, move sidewalks to the street, open up the space for cafes and more activity, and put parking behind Front Street, thereby creating a kind of pedestrian mall. WALSH said she loves the idea but doesn't think it is feasible. Niven referred to the City's recent contract for a parking study to look at improving capacity of existing parking opportunities on Front Street, including a garage. It might be a better opportunity to consider that idea, he added, after the parking study information is available.

ROSEN said she has two concerns she would like to add to the discussion. First, this plan is about walkability, being pedestrian-friendly, and so on, yet we have the equivalent of a highway going through this district, which has not been addressed. Second, she continued, there are issues around housing affordability in considering removing the option for cottage homes and micro-apartments in Olde Town. We could potentially be making Olde Town very expensive if we restrict the kinds of housing units that can be built there. Leeson responded the thinking is that adding housing to Olde Town will create more traffic, which the City regularly hears is a big issue for Olde Town residents. So restricting housing is intended as a near-term fix in response to residents' concerns about not adding to traffic. ROSEN said in her view, pass-through traffic is a large contributor to the traffic problems in Olde Town, and also needs to be addressed. Leeson agreed.

WALSH said she thinks the plan does a good job of addressing the idea of decreasing tear-downs that cause additional housing to be added and don't end up being any more affordable than what was torn down. She said she likes the idea of keeping Olde Town's distinct housing stock and letting Central Issaquah develop the more dense housing options. Leeson referred to the actions under way as part of the Housing Strategy.

PROBALA suggested the Arts Commission take a look at some of the ideas in the plan that could be implemented right away and that would make a significant change in the look of the neighborhood, such as cleaning up some areas, following up on some buildings in need of repair, and so on. She said these are small steps that are already in the plan and that don't need to be on hold. Staff made a note of it.

FAUL expressed his concern about new galvanized utility poles in Olde Town that don't look as though they belong, as well as potential traffic signals and other utilities that should reflect "village style." Niven suggested that "amend the Streetscape Plan" could be added to the action plan to address that concern. The commission liked the idea of adding this as #18 on the 2019-2020 Action Program list: Amend Streetscape Plan to address village-style utility poles, light poles and traffic signals in Olde Town.

Commission Recommendation
MOVED BY FAUL, SECONDED BY WALSH that PPC recommend approval of the Olde Town Subarea Plan update as presented and discussed at tonight's meeting, including

- Retain existing Olde Town boundaries (presented tonight as Option A);
- Amend the 2021-2022 Action Program to add "Review Olde Town boundaries within 12 months of the adoption of development and design standards for Olde Town;" and
- Amend the 2019-2020 Action Program to add "Amend Streetscape Plan to address village-style utility poles, light poles and traffic signals in Olde Town."

MOTION CARRIED BY UNANIMOUS VOTE OF ALL PPC MEMBERS PRESENT.

MOVED BY ROSEN, SECONDED BY FAUL that “Review and revise the plan as necessary 12 months after the design standards have been adopted” be added to the short-term action program (2021-2022), and that this item also be included as part of PPC’s recommendation. MOTION CARRIED BY UNANIMOUS VOTE OF ALL PPC MEMBERS PRESENT.

4. OTHER BUSINESS/ANNOUNCEMENTS
Heinonen briefly described the public hearing scheduled for PPC’s August 9, 2018 meeting.

5. ADJOURNMENT
With no additional business to conduct, the meeting was adjourned at 8:44 PM.

Respectfully submitted,

Susan Lowe
Recording Secretary