

**CITY OF ISSAQUAH
Planning Policy Commission**

6:30 PM
August 8, 2019

MINUTES

Council Chambers
135 E. Sunset Way

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commissioners:

Joan Probala, Chair
Ron Faul, Vice Chair
Janice Carle
Randy Harrison
Bill Rinehart
Robin Beukers, Alt. (voting as regular member)

Commissioners Not Present (Excused):

Joy Lewis
Jason Voiss
Tom Haskins, Alt.

Administration/Staff:

Trish Heinonen, Policy Planning Manager
Christen Leeson, Sr. Planner

CALL TO ORDER

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

APPROVAL OF MINUTES

a) MOVED BY FAUL, SECONDED BY RINEHART that minutes of the PPC meeting on July 25, 2019 be approved as presented. MOTION CARRIED UNANIMOUSLY, 6-0.

REGULAR BUSINESS

- a) **Public Meeting - Amendments to Issaquah Municipal Code regarding Olde Town Subarea, (I)**

Presented by: Christen Leeson, Senior Planner

Leeson made staff's presentation, beginning with some background and history on the 1999 Olde Town Subarea Plan; minor changes to the plan made in 2009; the work of a task force assembled in 2015 to make recommendations on Olde Town to Council; work done in 2016-2018 on an update to the Olde Town Subarea Plan; and work on the code amendments in 2019. She gave more details about the 2018 adopted plan update, including specific actions to be taken in the short term, immediate term, and long term. She referred to the status report in the agenda packet on work now under way to tackle the actions on the immediate action list.

She continued with the amendments to be discussed tonight, specifically #2, Code revisions to reduce heights to 3 stories in CBD; 3 stories in MF-H (East Sunset Way only); 2 stories in SF-D; and #3, Code revisions to increase impervious surface to 95 percent; increase impervious in MF-H (East Sunset Way only) to 75 percent (page 9 of 63).

PROBALA asked what are the advantages of making the change in impervious surface to 95 percent. Leeson noted the task force recommended the changes in both #2 and #3. She continued her explanation of why the change in impervious surface from 85 percent to 95 percent is being requested, and showed where existing buildings already are close to meeting the new 95 percent requirement.

FAUL asked could buildings theoretically take up the entire lot. Leeson replied yes, if the other development standards are met. FAUL asked about stormwater runoff if the impervious surface is increased. Heinonen said infiltration of runoff at the site is tried first, and if that isn't possible, then the water has to be managed onsite. The stormwater regulations are not changing, she added.

BEUKERS asked have you modeled the proposed changes in height, impervious surfaces, and parking to see what the impacts and real effect would be in Olde Town going forward. Heinonen referred to the analysis and modeling done for Olde Town parking, as distributed in an earlier e-mail to Commissioners. She said changing the height restriction to prohibit a 65-foot building is pre-emptive, in keeping with what staff heard when the community was discussing the Olde Town Subarea Plan update a few years ago.

HARRISON asked about street parking on East Sunset. Leeson clarified that the parking restrictions under discussion apply to private parking only, not on-street parking. She continued with an explanation of the task force's work on parking. HARRISON referred to parking signs on the slides being displayed that state, "For customers only—cars will be towed." Leeson said those signs show up occasionally on private property and sometimes even on public property, but it's not clear whether they are actually being enforced.

Leeson continued with #15. Develop incentives that reduce parking requirements for neighborhood-oriented commercial projects. PROBALA asked what was the task force's views on how giving incentives to neighborhood-oriented businesses might change the way businesses on Front Street are patronized by customers. Heinonen replied the task force didn't address that specifically. PROBALA said if she owned a business on Front Street, she would want it to be patronized by more than just immediate neighbors. Heinonen said the incentive is not intended to limit development to a neighborhood-oriented business, just to give an incentive if it is that kind of business, such as a grocery store. PROBALA said she's not sure she would consider Front Street as primarily a location of neighborhood-oriented businesses. She said she thinks business owners would like to know what the ratio is now of neighborhood-oriented businesses to other kinds of businesses, and what it is projected to be in the future. Staff made a note of it.

BEUKERS asked staff to explain what the proposal for "no change in parking for a change of use" would actually mean, as it seems that in doing so the City would be losing control over something very important. He gave an example of a change of use from a laundromat to a restaurant, and said parking requirements could dramatically change as a result of that change in use. He said he is increasingly concerned that Olde Town could be under-parked. Leeson explained that the City is undertaking a comprehensive look at parking regulations all over the City right now, and one possible approach is to designate where there should be urban parking requirements versus suburban parking requirements. Heinonen noted the majority of lots in Olde Town are small, which limits the size of the business. A large restaurant would be rare in Olde Town, for example, because it would be limited to the size of the plats in Olde Town, unless lots were combined. BEUKERS asked would that apply to businesses on East Sunset Way as well. Heinonen replied yes. She said Olde Town is a unique neighborhood, and this regulation is an attempt to make a viable environment for businesses and also keep the neighborhood's unique character.

FAUL expressed concern about a business owner deciding to build out an entire lot, possibly to expand their business, and then subsequently changing the use of the building, and gave examples. Heinonen referred to the chart on page 14 of 63, "Comparison of Existing Olde Town Parking Requirements with Proposed and Central Issaquah," and explained that parking requirements would depend on the type of use, and whether the business was expanding or being changed. She discussed different scenarios, including a change in use.

HARRISON noted the staff report referred to a 2018 Olde Town parking analysis that indicated there is actually a double-digit surplus of parking in Olde Towne, within something like a three to six minute walk, which he found surprising. FAUL clarified his concern is putting restrictions on property owners today based on a remodeled or expanded building, and then having a conflict in the future when the building owner changes how the building is used.

BEUKERS said his concern is the incremental effect of multiple sites that changed use with no additional parking required. He said he would like to know how much “extra parking” is actually available, and tends to agree with FAUL. He said multiple changed uses, plus overall growth, could result in a real parking shortage in five or ten years.

HARRISON noted two businesses have recently closed on Front Street. He said he’s not sure why they closed, but it must be convenient for both visitors and residents to patronize these businesses for them to be viable while also protecting the character of Olde Town. PROBALA asked does the City perform exit interviews with businesses that close. Leeson replied Economic Development staff perform annual surveys of City businesses, and she will inquire whether they also do exit interviews. Both PROBALA and HARRISON spoke in favor of doing exit interviews if they aren’t already being done. Heinonen suggested staff from the Economic Development Department attend the next PPC meeting and speak to some of the issues raised tonight, particularly about parking in Olde Town and Olde Town businesses.

Leeson continued with #6, Code revisions to remove Olde Town parcels as Transfer of Development Receiving Sites. Staff briefly explained how the TDR program works. Leeson continued with #5, Code revisions to allow small-scale retail in MF-H (East Sunset Way only); and #4, Code revisions to require ground floor commercial on Front Street.

BEUKERS said using requirements rather than incentives is at cross-purposes with encouraging new development in the City. He said he is concerned that new businesses might look at the City’s requirements, such as requiring ground-level retail on Front Street, and simply decide to locate elsewhere.

HARRISON referred to the list of small-scale retail businesses allowed in MF-H, and asked what if a potential business does not appear on this list. Leeson replied there is a category of “retail/general” to capture business types not listed here, although the list is pretty comprehensive. Heinonen noted that the “general/retail” category cannot be used, however, if the potential business type is covered by another category. RINEHART asked so if a developer decided to build a multifamily residential building on Front Street, in the CBD, the first floor use would have to be in one of these retail categories. Heinonen replied yes, that is the proposed amendment.

Leeson noted PPC can revisit the proposed amendments at its next meeting on August 22; the public hearing is not scheduled until September 5. The Commissioners agreed that having staff from the Economic Development Department attend the August 22 meeting would be valuable.

FAUL asked for clarification whether parking requirements are based on type of usage or square footage. Leeson replied both, and explained how parking requirements for medical, office, retail, and residential uses are calculated. She noted the amendments discussed tonight apply only to Olde Town, not the rest of the City.

Public Comment

Ashley Saunders, Issaquah resident, noted that TDRs would be eliminated for parcels on East Sunset Way, and the impervious surface requirement increased from 50 to 75 percent. He asked whether

parking requirements would be reduced for East Sunset Way. Staff replied no. He continued, would a two-stall parking requirement remain at two parking stalls for a multifamily residential building on East Sunset Way. Staff replied yes. Saunders asked whether public parking would be allowed along East Sunset Way. Leeson referred him to information on the City's website regarding the site plan for the East Sunset Way improvements. Saunders noted that ingress and egress are only available from alleyways for businesses on East Sunset Way, so not having any on-street parking in front is taking away access for those businesses.

J.J. Lin, owner of property at 180 S. Front Street, said his concern is allowing the City to mandate retail development, rather than incentivizing it. He said he thinks it is wrong to mandate how property owners can develop on their own land. He said he also thinks several of the proposed actions would decrease property values, and gave examples. He said he considers losing TDRs to have a negative impact on his property's value. He said he is also concerned with lowering the parking requirement from 35 percent to 25 percent for neighborhood-oriented businesses, and gave examples of how the changes would negatively impact the availability of parking for businesses. He also spoke about how the change in the impervious surface requirement could mean that significant trees would have to be removed, which could also negatively impact property values. He said the actions discussed tonight seem to have been cherry-picked from the list of 19 actions and do not seem to be being approached on a holistic basis.

Staff referred to page 47-48 of 63 in the packet, which lists the progress that has been made or is in the process of being made for all 19 action items. PROBALA asked which of these items will return to PPC for more discussion. Leeson replied any item pertaining to the land use code, as well as architectural standards, will be discussed again by PPC.

PROBALA asked what about permits in the pipeline now; when would they would be subject to the new code if Council approves the changes. Leeson said once the Council approves the code changes, they generally go into effect within 10 days to two weeks. Heinonen noted any permits in the works now are subject to the existing IMC. She added staff has notified project applicants in the pipeline of the pending changes. PROBALA asked what are the chances that a business owner could get a permit in the next month or two, under the existing code. Leeson said it is possible, depending on the project and the efficiency of the applicant and their permit application.

OTHER BUSINESS/ANNOUNCEMENTS

HARRISON suggested that agenda items be reordered to allow public comment following staff presentations and prior to PPC decisions. PROBALA noted PPC generally follows a format that allows for public comment before making a decision. Staff will review how agendas are established and consult with the Chair.

Upcoming Schedule. Heinonen noted the next PPC meeting is August 22. Additional meetings, including joint meetings, have been scheduled in September, October, and November (complete schedule available on page 63 of 63).

AUDIENCE COMMENTS

None.

ADJOURNMENT

With no other business to conduct, PROBALA adjourned the meeting at 8:20 PM.

Respectfully submitted,

08-08-19 Planning Policy Commission Minutes

Susan Lowe
Recording Secretary