

**CITY OF ISSAQUAH
Planning Policy Commission
MINUTES—SPECIAL MEETING**

6:30 PM
September 5, 2019

Council Chambers
135 E. Sunset Way

COMMISSION AND ADMINISTRATIVE PERSONNEL PRESENT

Commissioners Present:

Ron Faul, Vice Chair

Janice Carle

Randy Harrison

Joy Lewis

Jason Voiss

Robin Beukers, Alternate

Commissioners Not Present (Excused):

Joan Probala, Chair

Bill Rinehart

Thomas Haskins, Alternate

Administration/Staff:

Trish Heinonen, Policy Planning Manager

Christen Leeson, Sr. Planner

Christopher Wright, Econ. Dev. Manager

CALL TO ORDER/ANNOUNCEMENTS

FAUL, Vice Chair, called the meeting to order at 6:34 PM.

FAUL announced that tonight's Public Hearing on the Olde Town Code Amendments will be continued until September 26, 2019; no decision will be made tonight. Heinonen noted PPC's meeting (Open House on Olde Town Architectural Standards/Design Guidelines) scheduled for September 12 has been postponed.

APPROVAL OF MINUTES

- a) MOVED BY LEWIS, SECONDED BY VOISS that minutes of the meeting on August 22, 2019 be approved as presented. MOTION CARRIED UNANIMOUSLY, 6-0.

PUBLIC HEARING

a) PROPOSED OLDE TOWN CODE AMENDMENTS, (I)

Presented by:

Christen Leeson, Senior Planner

Staff Presentation

Leeson began staff's presentation with some background on the Olde Town Subarea Plan and the code amendments under consideration tonight, as summarized on page 17 of 45.

She noted new information has been added to the Administration's recommendation on Action #4, "Ground floor commercial/retail includes those uses currently allowed in the CBD and are included in the subsections of this Table 18.06.130 titled Food and Beverage, Office/Professional/Financial, Retail/Service and Medical." LEWIS said the phrase "ground floor commercial/retail" sounds more limiting than it really is and said a more inclusive-sounding term might actually be more accurate. Staff made a note of it.

Leeson noted a change has been made to Action #5 to clarify that the reference to "4,000 square feet" refers to "4,000 gross square feet." She clarified how the removal of Olde Town parcels as TDR receiving sites (Action #6) in the code would work, and noted that the map would be updated accordingly.

She clarified that on Action #15, staff has proposed a reduction, subject to additional modifications as a part of a review of parking all over the City, in parking requirements for neighborhood-oriented commercial projects, as described on page 20 of 45. VOISS asked if a new business fulfilled all of the criteria for parking reductions possible, could they get up to a 35 percent reduction. Leeson replied yes. She said this is intended to be an incentive to help smaller businesses locate here by relieving them of some of their upfront parking costs. She explained related changes to the accompanying map.

HARRISON said the target audience for neighborhood-oriented businesses would be people who are primarily walking or biking, not driving. He asked what would be the process in the future if more parking is needed in the CBD. Leeson replied the three steps that would be taken would be enforcement of existing parking; installation of meters and enforcement; and as a last option, building a parking garage.

CARLE asked does the City perform regular parking surveys, and can these policies be revisited when new survey information is available. Leeson replied yes, and explained that parking surveys are done every few years by the City.

Public Comment

Al Jiwani, 15546 SE 79th Place, Newcastle, said during the staff presentation, he heard Leeson say that changes to the amendments are still evolving. Will there be additional changes before the September 26 public hearing, he asked. Leeson replied no; tonight's public hearing will be continued until September 26, at which time it is anticipated that PPC will make a recommendation. That recommendation will be forwarded to Council for a decision, but the date that Council will deliberate is uncertain. Mr. Jiwani asked whether staff can estimate when Council will address the proposed amendments. Heinonen replied the goal is by the end of this year, but due to budget deliberations taking up so much of the Council's time, the date may be pushed out to January/February 2020.

David Kappler, 255 SE Andrews Street, Issaquah, said the proposed amendments state that building frontages on Front Street have to have "first floor commercial/retail with a minimum depth of 20 feet." Is there any regulation about how much of the frontage has to be for retail, he asked. Some frontages may have a street entrance that leads to businesses that are located in the back of the building, or on upper floors. He also asked whether the list of retail/services allowed in the CBD will differentiate between medical marijuana vs. recreational marijuana.

Leeson replied the frontage requirement is based on the same code as is used in the rest of the CBD. The entire frontage has to be retail with the exception of access to the rear of the building or the upper floors, she said. Staff can look at the language being proposed to make sure it is clear. Heinonen added the City's code refers to "marijuana" and does not distinguish between "medical" and "recreational," and noted that retail marijuana sales are not permitted in the CBD.

J.J. Lin, owner of property at 180 S. Front Street, Issaquah, commented on the process being followed by PPC in reviewing the amendments. Specifically, he questioned why a motion that indicates approval by PPC is included in the agenda packet for tonight's meeting, given that the public comment period and PPC's deliberations are not complete. He continued he has spoken to PPC before about his opposition to requiring commercial/retail on the first floor of businesses, and said he approves of broadening the definition of commercial/retail to be as inclusive as possible. He said he doesn't think that PPC has done a thorough enough analysis of what businesses on Front Street will be able to come in and which won't if these amendments are approved, and gave examples. He said he hasn't heard any discussion of what businesses will

be able to continue to exist on Front Street. He continued he considers the requirement for retail/commercial on the first floor to be a downzone for his property, and doesn't think that PPC has done a thorough analysis of what will happen to property values on Front Street if this amendment is approved. He said he would like to hear the facts, not just opinions, and thinks that it is a fair question that hasn't been adequately addressed.

Karl Pauly, 225 1st Avenue, Issaquah, asked staff to comment on what the amendment to require commercial/retail on the first floor is trying to accomplish. Heinonen replied it is a response to what we heard from the community is important to them about Olde Town, specifically maintaining its unique character, and helping promote vitality for Front Street and activating neighboring businesses.

Mr. Jiwani asked for clarification that any new multi-story building on Front Street would have to have commercial/retail on the first floor. Leeson replied correct. Mr. Jiwani asked what if it was a multifamily residential building. Leeson replied the same regulation would apply. Mr. Jiwani asked what would happen if a building burned or was otherwise destroyed, and the owner wanted to rebuild. Heinonen replied the City's code addresses that situation, but generally speaking, it would depend on how much was destroyed and needed to be rebuilt. In the past, she continued, the City has been lenient because properties in that part of the City have been prone to flooding, and the City has not wanted to create any additional hardships for those owners. Mr. Jiwani said he supports the idea of an independent review of the effect of this change on property values, but overall he supports the change. He said he can see there are a lot of "pluses."

Hearing no additional requests to speak, FAUL continued the public hearing until the PPC meeting on September 26, 2019 at 6:30 PM.

Commissioner Discussion

BEUKERS asked whether the City has any legal obligation to examine the effect on property values when it proposes rezoning. Heinonen replied no. She explained how the City did that kind of analysis for Central Issaquah when it up-zoned multiple properties in an effort to get more affordable housing. She explained how the City worked with ARCH, developers, and a market analyst on that because the Council was intent on achieving more affordable housing, but it was a rare occurrence. She said in general, the market will dictate property values, and it is the City's intention to keep the number of uses as broad as possible, recognizing that the business fronts along Front Street are small, constrained properties.

VOISS asked will the Economic Vitality Commission also review these amendments before they go to Council. Heinonen replied yes, EVC will review them on September 18.

HARRISON asked for clarification of a clause in the Findings of Fact that refers to the public comment and appeal periods. Heinonen explained that the Findings of Fact are typically drafted prior to PPC meetings as a draft template for PPC during its deliberations. It is a way of helping the process along, she continued, but often PPC makes changes at the public hearing and the Findings of Fact are then revised accordingly. In this case, she concluded, the public hearing has been continued so the dates in the Findings of Fact will be adjusted, as well as to reflect any other decisions PPC makes.

LEWIS said she would like to hear what the Administration is recommending on the question of whether to allow up to a 35 percent reduction in parking. Heinonen replied the City's review of parking in the Land Use code is moving along simultaneous with the Olde Town Code Amendments. We recognize that parking may change as a result of that review, not just

downtown but for the City as a whole. Leeson noted PPC will be reviewing the Land Use Code amendments, including parking.

BEUKERS asked whether the City has been in contact with people who have projects in the pipeline that will be affected by the proposed amendments. Heinonen replied yes; we have tried to be upfront when we know code changes may occur, and gave examples.

HARRISON said a recent article in the *Seattle Times* said retail has decreased statewide by something like 11 percent in the last two years. He asked whether staff has any information on whether retail is increasing or decreasing in Issaquah. Wright replied we tend to base our assessment on the inquiries and interest the City has received in vacant properties. Based on that, he continued, the pendulum is not swinging toward office development, but primarily toward retail.

OTHER BUSINESS/ANNOUNCEMENTS

a) **Upcoming Schedule:** The September 12 PPC meeting is cancelled. The next PPC meeting will be September 26.

AUDIENCE COMMENTS

None.

ADJOURNMENT

With no additional business to conduct, FAUL adjourned the meeting at 7:27 PM.

Respectfully submitted,

Susan Lowe
Recording Secretary