



MINUTES

Special Joint Meeting

PLANNING POLICY COMMISSION & DEVELOPMENT COMMISSION

6:30 p.m. -Thursday, January 27, 2022

Alternate Meeting Format: On March 6, 2020 the Mayor declared a civil emergency due to the outbreak of novel coronavirus (COVID-19). On March 24, 2020 the Governor issued Proclamation 20-28 relating to the COVID-19 emergency and open public meetings. The proclamation has been extended. Due to these factors, the meeting was held using a remote meeting platform.

1. Call to Order

The meeting was called to order at 6:35 p.m. by Chair Faul.

Planning Policy Commissioners Present:

Chair Faul, Vice Chair Voiss, Commissioners Bader
(Excused - arrived 6:57 p.m.), Lewis and Monahan

Absence: Commissioners Milligan and Zaragoza (Excused)

Development Commissioners Present:

Chair Brennan, Vice-Chair Price, Commissioners Dillon,
Ikeda, Morgan, Sanford, Schulte, Shore and Sowa

Absence: None

Staff Present:

Minnie Dhaliwal, Director, CP&D
Christen Leeson, Senior Planner, CP&D
Stephen Padua, Long Range Planning Manager, CP&D
Valerie Porter, Associate Planner, CP&D
Lucy Sloman, Current Planning Manager, CP&D

2. Approval of Minutes

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- a) Chair Faul asked if there were any comments or changes to the PPC December 9, 2021 minutes and there were none. The minutes were approved.

3. Public Comments (General)

- There were no written comments or requests to speak.

4. Public Hearing

- a) **Recommendation of 2022 Docket (List) of Proposed Comprehensive Plan and Zoning Map Amendments (A) (00:05)**
Presented by Christen Leeson, Senior Planner

Leeson presented the 2022 Docket and described three requests and next steps. A recommendation will be for a list of amendments to be processed and not regarding individual amendments. Actions can be to recommend the Docket as presented, to move one or more items to a following year, to add items or to not approve. Leeson stated that the Docket was for the Planning Policy Commission to address and not the Development Commission.

CHAIR FAUL opened Commissioner questions (00:12).

COMMISSIONER MONAHAN asked if there had ever been an instance when the Planning Policy Commission did not recommend approval of a Docket. Leeson replied that there have been several times that certain items were not approved, but not the entire Docket. COMMISSIONER MONAHAN asked what factors in general may have resulted in not approving certain items. Leeson replied not being ready for a change or an unreasonable amount of work required; in 2014 there were no amendments and no docket to consider.

VICE CHAIR VOISS asked for clarification that an item might continue to move forward for zoning although not on the Docket. Leeson replied that if an item does not move forward on the Docket, the item stops at this time. The proposal can be moved to another year, however. COMMISSIONER VOISS asked for clarification that changes or adjustments can continue to be made, but if not on the approved Docket, the item is not on the calendar this year. Leeson replied correct.

COMMISSIONER LEWIS stated concerns regarding how addressing changes to the Comprehensive Plan may affect a timeline for Title 18, asking if changes to rezones in the 2022 Comprehensive Plan would be able to move forward and if older standards of building codes would be grandfathered in. Leeson replied yes, if plans are submitted prior to Title 18 approval, these would likely be grandfathered in, but this always needs to be confirmed by the city attorney. COMMISSIONER LEWIS asked, regarding the difference between not approving and moving Docket items, if merit for future consideration versus rejection would be relayed to Council. Leeson replied correct.

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CHAIR FAUL asked if the Wildwood property and church property have restrictions within the buffer and wetland. Leeson replied yes, but individual items were not being examined at this time.

Sloman asked if the Development Commissioners would be considered public for the Public Hearing, able to comment. Leeson replied no, as the Development Commission has a quorum.

CHAIR FAUL opened the Public Hearing (00:20).

- Ken Konigsmark stated representing Our Savior Lutheran Church. The rezone request is an exciting opportunity for the entire city and the hope is that while rezones were not being considered this year due to workload, an exception could be made. The Issaquah Food and Clothing Bank does not have enough space and a partnership with the church will allow extra space at the church to be used by the Food and Clothing Bank. Single-family home or Condominium development is not desired but rather for a purpose that will benefit the community and the Comprehensive Plan; that the church might help achieve affordable housing goals on a portion of the property in the future as well as bring added beneficial services to those in need, key goals within the Human Services Strategic Plan. Expansion needs for the Food and Clothing Bank have not yet been determined. Of two lots, one is already zoned multi-family high density, and the larger lot was likely not zoned similarly because there was an existing church building. All lots surrounding are zoned multi-family high density. Timing is critical as a partnership agreement with the Food and Clothing Bank is hoped to be finalized in the next three to four months.
- Susan Neville asked to speak regarding the Wildwood application. Criteria has been met for number one. Up-zoning requested in number two is outside the Central Issaquah Plan. The largest issue is environmental impacts in critical areas, and these need to be examined to in order to make a decision.
- Connie Marsh stated residing on Squak Mountain and asked if criteria are supposed to be used to place an item on the Docket. In 2021, the Council did not want to approve up-zones outside of the Central Issaquah area, already discussed last year. The Wildwood property is coal mine hazard area with springs and slope to Issaquah Creek and high-density housing would present a hardship to an existing single-family house. Regarding the church property, a Memorandum of Understanding (MOU) should be obtained between the Food and Clothing Bank and church in advance before staff time is committed for a rezone. A promise to do good things should not be a reason for an item to be placed on the Docket and consistency in the appropriate process is important. In a new code update, better language may be needed for understanding.
- David Troyer asked if a screen could be shared, and Leeson researched. In the meantime, David Troyer identified as President of Troyer Strategic Advisors, a land use and economic development consulting firm representing Wildwood. The proposal is in

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an area where multi-family medium and high-density zones already exist. Criteria meets the Regional Vision 2050 and community Comprehensive Plan policies. There is merit to place the item on the Docket for study and additional public input with further consideration towards the end of 2022.

- Connie Fletcher stated that there is already a MOU between the church and Issaquah Food and Clothing Bank.

CHAIR FAUL closed the Public Comments (00:36).

Leeson stated that upon research, regarding the request to share a screen by David Troyer, attendees may not present screens on camera unless staff has reviewed first. The Issaquah Food and Clothing Bank is non-profit and a permitted use under Single Family-Small Lot, so existing zoning would allow the Food and Clothing Bank to be located on the church site. Leeson reminded the Commission that there would not be a rezone approval at this time but rather an approval of a list; applications were included to provide extra information and to show that a completed application has been submitted. Criteria is not being considered at this time.

COMMISSIONER BADER joined the meeting at 6:57 p.m.

- MOTION by Commissioner Monahan to move the 2022 Docket forward as presented. MOTION seconded by Commissioner Voiss. CHAIR FAUL opened Commissioner Discussion (00:40).

VICE CHAIR VOISS stated that both church and Wildwood properties are requesting multi-family zones in the largest traffic chokepoints in the city, Front Street. Traffic overshadows all else in terms of public frustration within the city. Allowing more multi-family on Front Street could be very problematic. More benevolent work in the community is needed but moving forward with a rezone on only a future promise by the church is not responsible and the three-to-four-month timeline is not realistic. Issaquah has been hitting growth targets well. Building requests are for what the city wants, but locations are not.

COMMISSIONER MONAHAN stated that any action at this time, with a lack of standards and guidelines, might be considered arbitrary. In the absence of clear legislative guidance as codified in Title 18, submitted applications as presented by staff should be docketed at this early stage.

COMMISSIONER LEWIS stated appreciating the comments of VICE CHAIR VOISS. As Title 18 is being decided, business as usual at this time is questionable. Moving the items to the 2023 Docket would allow for the desired outcome in the community. Staff resources are of concern. Comments are not regarding merits of projects but regarding the work being done with the city to create a framework. Applicants should continue working on preparation and planning for when applications are able to be addressed. Designing the best product possible for the community is the concern.

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CHAIR FAUL asked for clarification that the Clothing and Food Bank can operate under current permit requirements out of the church and that the decision of the Commission would not impede the operation. Leeson replied no, the use is permitted under SF-SL. CHAIR FAUL agreed with COMMISSIONER LEWIS that the items should be moved to the 2023 Docket to allow Title 18 to provide direction and when more resources will be available for rezoning. The Wildwood property has many different critical areas.

VICE CHAIR VOISS stated that comments from Commissioners are fantastic and agreement with COMMISSIONER LEWIS. There is usually more time and resources to go through parcels. By using Title 18, standards can be tightened environmentally and regarding traffic. More information is needed regarding the lots. VICE CHAIR VOISS stated appreciating the comments and perspective of COMMISSIONER MONAHAN. The church could resubmit an application in the future. Requesting an up-zone without firm plans is a tough sell to people who are trying to plan for best uses in sensitive areas.

COMMISSIONER BADER stated not having fully informed comments after having missed information given at the beginning of the meeting.

COMMISSIONER MONAHAN asked if applications had been accompanied by checks for fees as there is a copy of a check from the church on page 33 of the packet. Leeson replied no, that the church had sent the check not being aware that a check is not needed until Council approves. The check is being held and not deposited. COMMISSIONER MONAHAN stated understanding that the check will be returned to the church if the city does not proceed. COMMISSIONER MONAHAN stated that the applicants have followed current rules and the items should be docketed.

- Leeson polled the Commissioners regarding the MOTION on the table. The MOTION DID NOT CARRY, 1-4 (Opposed, Commissioners Bader, Faul, Lewis and Voiss) (COMMISSIONER BADER asked to abstain but then opposed). The recommendation by the Planning Policy Commission is to not move the 2022 Docket items forward at this time. The Council will act on February 22, 2022.

COMMISSIONER LEWIS asked that the recommendation mention that merits of the rezones are not the reason for moving to 2023 but rather that moving forward with Title 18 will be the best use of resources to properly address the items. CHAIR FAUL stated agreement with COMMISSIONER LEWIS.

CHAIR FAUL closed the Public Hearing.

The Development Commission joined the meeting at 7:28 p.m.

5. Regular Business (Joint Meeting)

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- a) **Title 18 Land Use Code Update: Building and Design – Neighborhood Overlay Standards (continued from January 20, 2022) (D) (00:59)**
Presented by Lucy Sloman, Land Development Manager

Sloman asked if the Commissioners could discuss each item separately and CHAIR FAUL agreed. Sloman presented slides that were in response to requests for clarification at the previous meeting. The first issue was regarding the architectural and urban design portions of the Design Manual.

COMMISSIONER DILLON stated that proceeding to create an initial master draft makes sense.

COMMISSIONER MORGAN stated yes.

COMMISSIONER LEWIS stated that the Overlay plan makes sense but there are still concerns regarding information architecture. The preliminary stage looks good.

CHAIR FAUL stated agreement with COMMISSIONER LEWIS

COMMISSIONER SANFORD asked for reasoning behind compatibility for the Central Issaquah overlay rather than a more general area of the code. Sloman replied that compatibility has been defined as using the styles in the manual, while public buildings, in example the library, city hall and fire station 73, were encouraged to be unique and not necessarily compatible because these should be highly visible as public buildings. Content currently emphasizes Central Issaquah and not city-wide. COMMISSIONER SANFORD stated that styles are clearly defined when kept in the overlay.

VICE CHAIR VOISS stated liking the layout and asked if urban areas would be defined as city-wide. Sloman stated that different street grids would need to be researched further before any recommendation.

CHAIR FAUL opened Public Comment (01:10)

- Connie Marsh stated that the term *urban area* is unsettling as preserving neighborhood characters was an overarching concern from the last meeting. A map showing areas considered in the urban area definition would still be helpful for understanding, as well as a map which shows areas in development agreements or an overlay. *Urban separators* are interface between less and more dense areas so that a single-family home will not be located next to a loud commercial area; the information as presented was not acceptable. How compatibility can be defined in a variety of areas is unclear. Conceptually, the presentation is moving in a better direction, but is a long way from acceptable development.

Sloman asked the Commissioners if there was a consensus to move forward.

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VICE CHAIR VOISS replied yes to Sloman. Maps would be helpful, but staff is on the right track for more refinement.

CHAIR BRENNAN replied liking the alignment along thematic areas. Regarding a comment from Connie Marsh, if applied to a geographic area specifically the term *urban area* makes sense, but if applied to certain development types not easily consolidated within a mapped area, *urban area* may need different terminology to describe. Any efforts to simplify and clarify code is on the right track. Sloman asked for clarification that design be prescriptively applied to certain geographic areas rather than a performance standard to be evaluated regarding whether the standard applies to the area or not. CHAIR BRENNAN replied either, but from an application standpoint, if there are situations outside of the standard then urban development would need to be defined. Sloman replied that geographic areas are being leaned toward.

CHAIR FAUL stated agreement with both COMMISSIONER VOISS AND CHAIR BRENNAN. In terms of urban areas, having a geographically defined map would be very helpful. Connie Marsh brought up good points. Staff is moving in the right direction.

COMMISSIONER SANFORD stated liking the granular approach. A working definition of *urban area* going into the new code is needed.

Sloman stated hearing that the structure is worth continuing.

(01:20) Sloman continued the presentation with remodel, re-construction, and new construction. Leeson clarified that TI is Tenant Improvement, particularly interior.

COMMISSIONER SANFORD asked for clarification regarding item number three, what constitutes a site. Sloman replied with an example of the *Jackson* building.

VICE CHAIR VOISS asked for clarification regarding item number two, and Sloman replied with an example of two modern buildings bookending a traditional building. Dhaliwal stated that a threshold would not apply to the example because the building is not new, falling under the remodel category. VICE CHAIR VOISS asked if *Egg and Us* would be considered new construction being torn down to the foundation, and Sloman replied that *Egg and Us* is also part of a larger building. The Design Manual did not apply when *Corner Bakery* was built in Heritage Square, but design is complimentary to existing buildings.

COMMISSIONER DILLON stated that the three items are not mutually exclusive. The Design Manual promotes incremental improvement, but an option could be that a building either fully complies with the Design Manual or needs to be consistent with surrounding buildings, a direction consistent either with the area or the Design Manual.

COMMISSIONER BADER stated that the comment of COMMISSIONER DILLON had helped to clarify a question, the difference between number one and number three which can be read as *and*. Sloman replied that some could be additive, and some are options or alternatives.

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COMMISSIONER MORGAN asked for clarification and gave an example regarding using a square footage to calculate value in number two. Sloman replied yes.

COMMISSIONER SANFORD asked if *Issaquah Work Lofts* on Gilman was approved before the Design Manual had been released. Sloman replied that the draft of the Design Manual had been released and Council approved a Development Agreement that stated that the Design Manual would be used to the point that had been completed, a negotiation with the applicant. COMMISSIONER SANFORD stated that the building was a positive result and asked if the role of the Development Commission is to decide on compliance. COMMISSIONER SANFORD asked if the Northwest Contemporary style only pertains to Urban Core and Sloman replied yes. COMMISSIONER SANFORD stated Northwest Contemporary is a close match to the *Egg and Us* building and asked if the use of Northwest Contemporary should be expanded to at least Central Issaquah to address cases such as *Egg and Us* and partial re-development. Dhaliwal replied that projects sometimes do not come to the Development Commission due to the threshold of the project and Land Use Review is not always triggered. A question is if only projects which go through Land Use approval should be subject to the style guide, a much higher threshold.

CHAIR BRENNAN stated that the actual process would be a separate question. Moving the city to the new vision is good but having many arduous requirements will stifle development. New buildings should comply with the new vision. Regarding additions to an existing building, additions should comply with design standard but could be modified to align with existing architectural compatibility, some flexibility to make sense and referenced the Bel-Red approach. Site improvements should align with the future vision. The old vision should not be reinvested in.

COMMISSIONER LEWIS stated appreciating the comments of CHAIR BRENNAN and suggested addressing with King County. The King County valuation system should not be followed. If space orientation is changed by demolishing a building, in example the *Jackson* site, the entire site should be redone. A strict view of what needs to be realigned is needed.

COMMISSIONER SCHULTE stated agreeing with COMMISSIONER LEWIS and CHAIR BRENNAN. New building construction should comply as well as improvements matching the existing structure as much as possible while recognizing the need to maintain a brand. The city of Leavenworth integrated Starbucks, in example, to the Bavarian style. The city should be mindful of site compliance towards the vision, sustainability and higher thresholds that promote a full redevelopment. COMMISSIONER SCHULTE stated appreciating the comment of COMMISSIONER MORGAN regarding square footage.

VICE CHAIR PRICE asked, regarding King County valuation, if improvement value but not land value is used. Sloman replied yes. VICE CHAIR PRICE asked if land and improvements together had been considered to increase the threshold. Sloman replied that land value was not included because improvements are the focus. King County is interested from a tax perspective. There are better ways of looking at improvement values such as market rather than using the land portion to understand improvement value. VICE CHAIR PRICE stated that a

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third-party consultant establishing value would invite inconsistency and asked if there would be more predictability if land value was included. VICE CHAIR PRICE stated agreeing with the comments of CHAIR BRENNAN. Dhaliwal replied that King County Assessed Value of property is an option but there is a different threshold for additions and remodels.

COMMISSIONER DILLON stated agreement with CHAIR BRENNAN and the Bel-Red approach and with COMMISSIONER LEWIS regarding the *Jackson* site. Having value defined for site compliance should occur.

CHAIR BRENNAN stated that when adding to an existing building, a minimum square feet threshold can be set predictably for less confusion to staff and the applicant. Using a threshold that is based on square footage and value is easier to administer if established. There are four scenarios; a building which stands alone on the property, an addition to an existing building, a multi-building site and remodel of an existing building.

COMMISSIONER IKEDA asked for clarification regarding number two when there is a separation between buildings. Sloman replied that *Rio Café* in Heritage Square was designed differently than surrounding buildings prior to the Design Manual and a question is to what extent should those choices be controlled. COMMISSIONER IKEDA stated that site development related to percent impacted makes sense.

(02:07) Sloman continued the presentation with the exclusion of maintenance, interior changes, Landmark buildings and about King County values.

COMMISSIONER MORGAN asked for clarification regarding 18.08.050 in code, non-conforming situations. Sloman replied that 75% threshold is for involuntary loss such as a fire or natural disaster. COMMISSIONER MORGAN stated that using replacement cost would be less susceptible to appraisal questions. Sloman asked for clarification and COMMISSIONER MORGAN replied that replacement cost is what most appraisers would use to estimate insurable value. Marshall Valuation Services is standard.

CHAIR BRENNAN stated that the Marshall approach is the most common, less subject to being contested. Maintenance should be encouraged. Any improvement of a non-conforming building should be included in a threshold determination. Landmark buildings should be handled with sensitivity to maintain character. The Marshall approach would be better to use than King County value.

CHAIR FAUL opened Public Comment (02:15).

- Connie Marsh stated agreement with CHAIR BRENNAN and the other Commissioners. A question is how quickly and delicately major change should be forced in Issaquah. Another is if developers should be able to easily upgrade development, continuing to make money without the large change that the city agrees upon. Issaquah is a suburban city attempting to have dense development with a sophisticated traffic, transit, and pedestrian orientation. The comment by COMMISSIONER SANDERS regarding the

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Development Commission being involved in certain conversations is interesting in that the involvement of the Commission could have been very helpful to avoid, for example, the blank wall of the *Jackson* building and removal of trees. *Lazy Boy* was partially remodeled, and no trees were required to be placed. There should be vegetation and landscaping standards, and people should have the ability to improve a site without triggering further required changes. Visible exterior maintenance needs to be a priority. Marsh asked what the goals and priority order are for the decisions being made. Improvements on sites could be allowed with various choices available toward the future vision of the city. In summary, Marsh asked that the Commissioners think bigger, understand what smaller rules accomplish and decide if Issaquah should be redeveloped quickly or slowly.

CHAIR FAUL closed Public Comment. There were no further Commissioner comments.

6. Reports

- a) **Council Update (02:25)**
Presented by Christen Leeson, Senior Planner

Leeson stated that Dhaliwal would present an update on Title 18 to City Council on February 7, 2022 and will summarize for Council following Public Hearings and deliberations. Dhaliwal stated that the last Council briefing had been a Study Session regarding natural environment in September 2021. Drafts had been released for the Shoreline Master Program and Outdoor Lighting, and others for Critical Areas will be released in the coming weeks. At the code draft stage, an Open House will be held prior to each of the six Public Hearings. Public Hearings will be joint with the Environmental Board, Development Commission, or the Parks Board. Council will be briefed at least once per month after all six deliberations and Hearings are completed.

Leeson shared the updated meeting calendar. Dhaliwal stated that the focus in March, 2022 would be Critical Areas, in April landscape, trees and open spaces, and in May zoning and uses.

7. Adjournment

With no further business to conduct, CHAIR FAUL adjourned the meeting at 9:03 p.m.

Respectfully submitted,

Carolyn Garza, LLC
 Recording Secretary