



MINUTES

Special Joint Meeting

PLANNING POLICY COMMISSION & DEVELOPMENT COMMISSION

6:30 p.m. - Thursday, July 20, 2022

1. Call to Order

The meeting was called to order at 6:32 p.m. by Chair Voiss.

Planning Policy Commissioners Present (virtual):

Chair Voiss, Vice Chair Monahan, Commissioners Bader, and Milligan

Absence: Commissioner Lewis (Excused)

Development Commission Members Present (in city chambers):

Vice Chair Shore, Commissioners Dillon, Morgan (Alternate) and Price

Absence: Chair Sanford (Excused), Commissioners Brennan (Excused), Gilbert (Excused), and Ikeda (Excused)

Staff Present:

Minnie Dhaliwal, Director, CP&D
Tisha Geiser, City Clerk
Christen Leeson, Senior Planner, CP&D
Valerie Porter, Associate Planner

2. Public Comments (General) (00:02)

- Hossein Khorram, Milano Apartments and Townhomes, stated that Washington State has been in a state of COVID-19 emergency for three years and Land Use processes have slowed significantly. There are new economic challenges, and inflation has become a hardship. New Land Use code should be delayed for six months for existing projects in development. The permit for Milano Issaquah was applied for two years ago and the pending Land Use change was only discovered a

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few months ago. There are many questions and the state of emergency that COVID-19 has caused has prohibited meeting efficiently for answers. The city of Seattle delayed the adoption of the International Building code by six months, a significant code that governs all construction and development. Different municipalities such as Shoreline are considering permit extensions. RCW 36.78.020 states that permit applications should be processed in a timely and fair manner to ensure predictability, and changing the rules with short notice for a project that has been in development for three years is not fair and does not ensure predictability. Staff is very busy and most communication is virtual with days of processing time. Khorram asked how the public is being served,

- Ben Hobbs stated that excessive regulation is not conducive to progress. Certain code compliance rules can tie the hands of developers and Hobbs asked if companies would want to deal with Issaquah in good faith when excessive regulation is added.
- Bob Haglund, Granite Falls, WA, stated that the role of public service is to balance the needs of everyone, the public and the environment, but encouraged more of a focus on the public going forward in consideration of the housing crisis. Children will not be able to afford to live in the communities they have grown up in, breaking the community up. There is only a certain amount of money available in most families and choices must be made regarding what can be spent for housing, energy, food, and healthcare. Only the cost of housing can be in some way moved toward affordability by Issaquah.
- Lindsey Walsh, Issaquah Council President, stated being present to welcome the Commissioners back to in-person and hybrid meetings and thanked everyone for serving in an unusual time of virtual meetings. The Council wants to express how important the work of the Commissions on Title 18 is.
- Paul Hess stated appreciating that the Commissioners take the work seriously with many interests to balance. Large projects take time and when rules are changed during development, the project unfairly becomes very expensive for the developer. Deadlines have been extended in other communities. A six-month extension for all projects already in development should be more than reasonable. Processes to get projects done have slowed, in example, submitting questions via email and receiving replies over days versus an in-person meeting where all issues are resolved quickly.
- Dale Funk stated that transitions to virtual meetings during the COVID-19 state of emergency took time to become efficient, and now the transition from virtual to hybrid meetings will be similar. Delays in resolutions to questions have put every project back in progress. Discretionary authority to pad time for delays in current projects would be reasonable at this time. Delays have not been caused by any stakeholders.

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- Landon Halvorsen, Issaquah, WA, stated support of a six-month delay for current projects, sending a clear message to future developers that the regulatory process will be stable. When not stable, reasonable building becomes nearly impossible in a timely, efficient manner and final unit costs go up. Regulatory stability should be robust, protecting environmental standards and upholding resident values but also applied consistently from start to finish.
- Andy _____ (Virtual) stated that while being interested in preserving native species as a Horticulturist, housing is needed, and the process needs to be easier.
- Frank Khorram, business partner of Hossein Khorram, stated that inflation has not been seen in the last 43 years here as is currently, and COVID-19 has been a new challenge to traverse. Khorram stated supporting an extension to the process regarding new codes on projects that are already in development. Changing the rules on the Milano project after three years and great cost is unfair and will increase costs to the end-users or renters.
- [Inaudible Name] stated being a small developer and experiencing similar challenges as Khorram, supporting a six-month delay in code change to current projects.

3. Public Hearing (00:37)

a) Proposed Amendments to Title 18 Zoning and Development Standards, (D)

- Transfer of Development Rights (TDR)
- Affordable Housing
- Landmarks and Archaeological Resources
- Parking

Presented by:

Christen Leeson, Senior Planner

Valerie Porter, Associate Planner

Doug Yormick, Assistant Planner

Thomas Valdriz, Senior Transportation Planner

CHAIR VOISS stated that after each topic presentation by staff, clarifying questions would be asked by Commissioners followed by Public Comment being opened. The Public Hearing will then be closed, and the Development Commission will deliberate after the Planning Policy Commissioners turns off cameras. The Planning Policy Commission will deliberate in-person on July 28, 2022.

(00:40) Leeson began the presentation with Transfer of Development Rights (TDR).

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COMMISSIONER MILLIGAN asked if there will be changes to sending and receiving sites. Leeson replied no.

CHAIR VOISS asked if a transit stop would be classified as a normal bus stop or a transit facility. Leeson replied that the term needs to be clarified. CHAIR VOISS asked for clarification regarding TDRs and Development Agreements. Leeson replied that a Development Agreement is essentially a Land Use code for a Developer. Density can be added to what is written in the Development Agreement with TDRs. Dhaliwal replied that the Interlocal Agreement with King County expired in 2014 and will be investigated.

CHAIR VOISS asked for clarification regarding who the term *placeholder* refers to. Leeson replied that the City Attorney is being worked with to determine.

(00:49) Leeson continued the presentation with Affordable Housing.

COMMISSIONER BADER asked if there is any expansion to inclusionary requirements in code from previous code. Leeson replied no. The Housing Action Plan Implementation Grant has been received and will begin at the start of August. One of the tasks is to look at expanding the area for inclusionary zoning.

COMMISSIONER MILLIGAN asked for clarification that the affordable housing requirement is a percentage of a project in general, and why the term is being extended for rentals but not home ownership. Leeson replied that fee-in-lieu in question falls under alternative compliance, not tied to the area. COMMISSIONER MILLIGAN asked for a circumstance where a Developer could not build the affordable units required. Leeson replied that if off-site, land may not be able to be acquired. COMMISSIONER MILLIGAN asked why a Developer would not be able to build affordable units required in the original on-site development requirement. Leeson replied that there are situations that exist, and the issue is included as a safety net to be consistent with other cities. Alternative compliance is not used often. Regarding terms for rentals different than for homeowners, Leeson replied that the reason is consistency with other jurisdictions.

COMMISSIONER MORGAN asked if changing a requirement from 30 years to indefinite had been discussed with Developers and Bankers regarding impact, and if there would be an entity willing to finance affordable units. Leeson replied that the requirement change had not been discussed with Developers and Bankers in Issaquah but is currently required in several other cities with no issues. Further investigation can be done, however. COMMISSIONER MORGAN stated that if banks will not finance a project, the project will not be built, typically.

COMMISSIONER PRICE asked if the Area Median Income (AMI) upper limit of 120% is existing or proposed. Leeson replied existing. COMMISSIONER PRICE asked if the figure applies to both rental and ownership and Leeson replied yes, mostly ownership.

(00:59) Porter presented Landmarks and Archaeological Resources.

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COMMISSIONER DILLON asked if King County code would be referenced specifically, as there is the possibility of a change made by King County at a future time. Porter replied yes, when the County makes code changes cities are made aware as many cities use the reference.

CHAIR VOISS asked who is responsible for a fee under \$750 in Article 2, General Administration and Standards, point A. Porter replied the city covers fees under \$750.

(01:05) Valdriz gave the final presentation, Parking.

COMMISSIONER MORGAN asked if bike storage facilities within a parking garage within a building not attended by a security guard or visible from employee work areas or residential or communal areas would be allowed. Valdriz replied that the intent is to be sure that language is provided for long-term bike parking where locations are highly visible, to deter bicycle theft. COMMISSIONER MORGAN asked for clarification that bike storage within a parking garage would not be allowed, with bike storage possibly needing to be within a lobby. Valdriz replied correct, currently not an allowed use. COMMISSIONER MORGAN asked for clarification that minimum bike parking would be one stall per unit. Valdriz replied correct. COMMISSIONER MORGAN asked if one stall per unit is a typical standard for bike storage, and Valdriz replied yes, a standard practice in area cities. COMMISSIONER MORGAN asked for clarification that 10% Electrical Vehicle Supply Equipment (EVSE) stalls must be included and how reduction in total required stalls would be affected. Valdriz replied that the EVSE issue will be revisited. COMMISSIONER MORGAN asked if business hours for overlapping parking are determined by the Developer and Valdriz replied correct. COMMISSIONER MORGAN asked if there is a provision for the Director to approve business hours and Valdriz replied that there is flexibility. COMMISSIONER MORGAN suggested that verbiage, as *approved by the Director*, could be added.

COMMISSIONER MILLIGAN asked how increased residential density impacts on street parking have influenced parking regulations going forward. Valdriz replied that there is a balancing act to provide enough parking while acknowledging more transit access and a desire for more walkability. COMMISSIONER MILLIGAN stated that the question was focused on businesses where on-street parking used to accommodate the uses. Valdriz replied that there is a provision in code for a 35% reduction. COMMISSIONER MILLIGAN asked about Electric Vehicle (EV) facilities and the difference between what the Planning Policy Commission had worked hard on previously and different, higher requirements presented, and if the Commission packet could include the delta between. Valdriz replied that changes are minor, a 5% increase for non-residential and some increases in EV requirements but not for EVSE.

VICE CHAIR SHORE asked if there are examples of shared parking now. Valdriz replied not having specific examples but being common practice in the region, in example, Kirkland. Padua replied that there are no examples of shared parking agreements in the City of Issaquah but there are multiple examples from regional partners utilizing new language proposed. COMMISSIONER MORGAN replied with details of a recent Shared Parking agreement in Issaquah.

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CHAIR VOISS asked what providing parking for all ages and abilities looks like. Valdriz replied that the statement is an industry term to introduce equity in cycling. CHAIR VOISS asked for clarification that there would not be wider spaces for tricycles and unicycles and Valdriz replied that racks would remain as is. CHAIR VOISS asked for clarification regarding a requirement that 50% of short-term bicycle parking spaces be covered when 10 or more are required. Valdriz replied that in example, bike racks should be a short distance from the entrance but with good visibility. Covered would indicate under the eave of the building or other weather protection to keep bicycles dry. CHAIR VOISS stated wondering how the requirement would look in practice. CHAIR VOISS asked for clarification regarding showers for bicycles and if intent is for terrain bicycles near trails. Valdriz replied that the showers are for the rider, for bicycle commuting to work.

(01:34) CHAIR VOISS opened the Public Hearing specifically regarding the Title 18 project. All emails received have been read.

- Hossein Khorram stated having been in the rental business for 25 years. There is a great strain on income and affordable housing is important. Diversity in affordable housing has been missing. A three-bedroom apartment versus a three-bedroom townhome or larger require the same rent, creating housing discrimination against families. Apartments are needed by more than only single renters. Electric cars are the industry trend, but Khorram asked if demand has been investigated on Puget Sound Energy. Much higher demand results in higher rates. An Electric Vehicle Charging Station uses approximately 40 amps and the effect of usage concentrated at certain times of day such as after work should be investigated.
- Kay Elmer, Issaquah, WA, stated supporting the extension of 50 years for homeowners. Regarding rental units, there is verbiage stated that units must remain affordable only if the project is in use for residential purposes and asked if an owner should choose a condominium conversion, that affordable units would no longer be available - and if so, if the owner would then be responsible for paying a penalty to the city as the public benefit had been provided at construction. Elmer asked why, regarding affordable housing units required to be not smaller than 90% of average market rate housing sizes, smaller units would be made for lower income families or individuals than for market rate participants. The removal of reduction of recreation space allowance was appreciated. The designated official should be a clear supporter of affordable housing. Charts show options for affordable housing at 70% AMI and 50% AMI, but 30% AMI should also be considered, considering minimum wage and senior incomes. The purpose and benefit for off-site affordable units is unclear. There has been a trade-off in code for road improvements benefiting the general population, but not benefitting low-income residents.
- Molly Boll, Trilogy resident, stated having a general comment. CHAIR VOISS replied that at this time the meeting was in a Public Hearing process and comments are specifically to Title 18 for the record. Boll stated that an email would be sent.

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(01:50) CHAIR VOISS closed the Public Hearing and opened the Development Commission deliberations. Planning Policy Commissioners were asked to turn off cameras.

VICE CHAIR SHORE asked that each topic be addressed in the order presented. The first topic was Transfer of Development Rights.

COMMISSIONER MORGAN stated that the changes adequately address the goals and outcomes identified by the Council.

VICE CHAIR SHORE asked for comments regarding Affordable Housing.

COMMISSIONER MORGAN stated that in general, the proposed changes adequately address the goals and outcomes identified by the Council but stated that regarding the elimination of a 30-year limit, an unintended consequence could be that banks would not finance projects with affordable housing, and the impact should be investigated.

VICE CHAIR SHORE asked for comments regarding Landmarks and Archaeological Resources. There were no comments from Commissioners.

VICE CHAIR SHORE asked for the three Parking questions from the staff presentation to be displayed: the bike amenity, Shared Parking and EVSE and EV-ready parking stalls. VICE CHAIR SHORE stated that regarding question one, bike parking appears elevated but stated agreement with COMMISSIONER MORGAN that location seems restrictive, and there may need to be exceptions based on building type or size. COMMISSIONER DILLON stated that some individual requirements could be *or* rather than *and* in terms of location and visibility protection.

COMMISSIONER MORGAN stated that regarding all three questions raised in the presentation, the answer would be yes. Other comments were that a Shared Parking agreement has worked well between the Maple Street building and Springhill Suites Hotel. Increasing to 40% fits with what has been done in the past. Bike storage is problematic and does not fit with typical development for an office building, in example, and a suggested change to page 85 of 121, item B2, was to add an item D, in a building parking garage within 50 feet of an elevator.

VICE CHAIR SHORE stated that regarding EVSE and EV-ready parking stalls, without knowing projected statistics, EV-ready parking stalls could be increased for future capacity, easier now than in the future. COMMISSIONER DILLON stated that there should be an impact study on the electrical grid of development at this level for EV-ready parking. If the demand is not excessive, the proposal is reasonable. Incentives for higher tiers rather than a regulatory requirement could be offered.

COMMISSIONER MORGAN stated that staff had done an excellent job putting the presentations together in an understandable manner and answering questions.

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There were no further Development Commissioner comments. VICE CHAIR SHORE returned the meeting to CHAIR VOISS but reminded the Development Commission that there is one more agenda item that staff requests feedback on. The Development Commission would deliberate after Public Comment and the Planning Policy Commission would deliberate at the July 28, 2022 meeting.

4. Regular Business (02:00)

a) Climate Action Plan Implementation and Title 18 Updates, (D)

Presented by:

Minnie Dhaliwal, Director, CP&D

Dhaliwal gave the presentation.

Porter stated that the Climate Action Plan Implementation materials had not been included in Development Commission packets but had been published in the Planning Policy Commission agenda. Dhaliwal asked to display a table from the presentation for the Development Commissioners.

CHAIR VOISS asked for clarifying questions from the Commissioners and asked if the Development Commissioners were comfortable proceeding without materials at this time. VICE CHAIR SHORE asked if questions could be asked at this time, but also if additional questions could be emailed after the meeting. Dhaliwal replied yes.

COMMISSIONER MILLIGAN stated that ease in code interpretation will be important and asked, regarding exempting smaller buildings, if for built-green certification a flat fee is charged or if a fee is based on the size of a building. Dhaliwal replied that more information will be provided.

COMMISSIONER DILLON asked for clarification regarding exemptions and SEPA. Dhaliwal replied that there would be a complete evaluation of all impacts.

COMMISSIONER MORGAN asked if the SEPA process is unnecessary if a building is LEED Gold, salmon safe and using eco-friendly building materials and Dhaliwal replied correct. COMMISSIONER MORGAN asked if all other code requirements for development of a building would still need to be met and Dhaliwal replied correct.

COMMISSIONER PRICE asked if review is still needed if Critical Areas are present. Dhaliwal replied correct, SEPA evaluates what is not addressed by existing, adopted code. If there was not a Critical Area section in Issaquah code or if the cumulative impact of a development falls into a gray area, SEPA could be used as a tool to require mitigation.

There were no further questions from Commissioners.

Public Hearing (02:20)

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- Hossein Khorram stated being a Mechanical Engineer. Large lenders such as Fannie Mae have discounts for LEED certification ranged between 10 and 20 basis points, an added benefit despite the extra cost. It is important to have flexibility in Title 18 and there are some provisions that could stop a project. The goal is to serve the public and a variety of options should be in code.

(02:25) CHAIR VOISS opened Development Commission deliberations and asked Planning Policy Commissioners to turn cameras off.

VICE CHAIR SHORE asked for questions from the presentation to be addressed to be displayed. The questions were not visible on the video.

COMMISSIONER DILLON stated that regarding the first question, the proposal by Dhaliwal appears to be a logical pathway. COMMISSIONER DILLON stated appreciating the concept of incorporating sustainability throughout the Title 18 document and not one section only. Given information from neighboring cities the suggested threshold seems appropriate, but a lack of background research prevented a recommendation.

COMMISSIONER MORGAN stated agreeing that incorporating sustainability as presented makes sense. One change would be to *up to 20,000 square feet* and *up to 40 parking spaces* for office, school, service, and recreation. The earlier Parking code presentation did not mention a specific commercial office section, but there was medical with minimum parking of one per 300 square feet. A 20,000 square foot building would then require 67 parking stalls which would not fit, then limiting to only a 12,000 square foot building if 40 parking stalls is the requirement.

VICE CHAIR SHORE stated agreement with requiring third party certifications for larger buildings and deferred to other Commissioners on an appropriate size. VICE CHAIR SHORE did not agree with tying the SEPA threshold with third party certifications. If changes to threshold are needed to be current, the thresholds should be updated across code and not in only a small section.

COMMISSIONER PRICE stated being in full support of all outlined.

VICE CHAIR SHORE closed the Development Commission deliberation.

5. Reports

a) Council Update

Dhaliwal stated that there were no reports. The Council has asked staff to come back to the Planning Policy Commission with an ICAP discussion, zero-lot lines, and subdivision grade at the next meeting on July 28, 2022.

6. Other Business/Announcements

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a) **Upcoming Schedule**

There were no announcements.

Dhaliwal thanked the Development Commissioners and stated that missing information from the packet would be sent.

COMMISSIONER MORGAN thanked the Planning Policy Commission for hard work and allowing the Development Commission to express opinions. CHAIR VOISS replied that the Development Commission provides an indispensable service. CHAIR VOISS thanked city staff, Commissions, and all Public Comment participants.

CHAIR VOISS stated that the next Planning Policy Commission meeting on July 28, 2022 would be the first meeting back in city Chambers since March 2020.

7. **Adjournment**

With no further business to conduct, CHAIR VOISS adjourned the meeting at 9:04 p.m.

Respectfully submitted,

Carolyn Garza, LLC
Recording Secretary