



City of Seattle

Gregory J. Nickels, Mayor

SEATTLE PLANNING COMMISSION MAY 12, 2005 FINAL MEETING MINUTES

Commissioners in Attendance: George Blomberg, Chair; Steve Sheehy, Vice Chair; Hilda Blanco, Mahlon Clements, Tom Eanes, Chris Fiori, Martin Kaplan, Lyn Krizanich, John Owen, Joe Quintana, Mimi Sheridan

Commissioners Absent: Anjali Bhagat, Jerry Finrow, Valerie Kinast, Tony To

Commission Staff: Barbara Wilson, Director; Scott Dvorak, Analyst; Robin Magonegil, Administrative Assistant

Guests: Lynne Barker, DPD; Richard Conlin, City Councilmember; Mike Cox, OSE; Rebecca Herzfeld, Council Central Staff; Kristian Kofoed, DPD; Laura Lutz, OED; Steve Moddemeyer, DPD; Bob Morgan, Council Central Staff; Diane Sugimura, DPD; Sung Yang, Mayor's Office

CALL TO ORDER

The meeting was called to order at 3:00 pm. A quorum was not present so Chair Blomberg moved Commission Business to later on the agenda.

BRIEFING

- **LEED Standard: Downtown Zoning Bonus Rule**

Development Lynne Barker from the Department of Planning and Development (DPD) presented a power point presentation on the LEED Standard. The presentation can be accessed at: http://www.buildgreennw.com/resource/Dev_RE_Outreach.ppt

Before beginning her presentation Ms. Barker addressed one of the concerns the Commission articulated in its May 6 letter to Mayor Nickels having to do with residential development and House Bill 1272. She wanted to clarify that affordable housing was not excluded from achieving LEED in the Bill – instead the Bill dictates a period of research and analysis to determine the best green building standard to apply to such development. It may be LEED, it may be another standard. The State has until 2008 to evaluate and choose a standard to use for affordable housing.

Diane Sugimura, Director of Department of Planning and Development made a few remarks on the process noting that the addition of the LEED standard as well as other recent changes to the

downtown zoning proposal came as a result of public involvement and feedback after the draft final proposal was released. She also noted that the Mayor has a strong commitment to sustainability and green building.

Commissioner Mahlon Clements asked what happens if the building does not get LEED Certified after receiving bonus provisions. Ms. Barker indicated that at this time there is no penalty in the proposal and that the City would be counting on “good faith” for developers/building owners to satisfy the LEED Certification. DPD Executive Director, Diane Sugimura reaffirmed that they are not proposing a penalty be added to the code.

Commissioner Joe Quintana stated that he understands that US Green Building Council (USGBC) is having a difficult time keeping up with the backlog of project review and he asked if there was an independent review process. Ms. Barker replied that there are two different phases of development review and with the LEED for new construction the USGBC is actually meeting the time frame. During the LEED pilot project for Core and Shell the review was much longer. They have, however, made a commitment to meet our ten week time frame.

Commissioner Quintana asked what happens if they do not meet the time frame. Ms. Barker said that USGBC’s ten week time frame is much shorter than the City’s permitting process. A provision will be included so that they would contact DPD and let them know if they are holding up the process because of a backlog of review. She believes this will not be a problem.

Commissioner Quintana indicated he has concern about the financing of the projects. He feels that the uncertainty of the LEED Certification process and the timing of review could lead to problems with financing. Ms. Barker answered that a lot of the LEED Certified projects being built right now are being financed by some of the key players in the financial world. They are building them *and* financing them. Commissioner Clements added that a key difference is that they are not financing them under a judicial review - it is voluntary with no penalty.

Commissioner Quintana stated that many of the statistics that Ms. Barker shared were at the national level. He asked if anything had been done here locally which accounts for our mild climate and current stringent energy codes. Ms. Barker replied that they have done a study and that in some cases LEED is better and in others it is not.

Commissioner Quintana expressed that he was skeptical of the savings and asked if these were truly reliable figures. Making this requirement mandatory makes the private developers nervous. Ms. Barker stated that they originally did a cost analysis of a high rise building if they were to achieve LEED Certification of 25% energy performance. According to the analysis the payback would be under 2 years. Commissioner Quintana requested that that cost analysis be shared with the Commission.

Commissioner Clements said that while LEED may be wonderful, the primary focus of the Downtown Zoning changes should be to motivate residential building downtown. He stated that he is looking for reassurance that enough background has been done so that the insertion of this incentive/requirement into the zoning changes won’t compromise downtown projects. He

wondered if it is all happening in the market anyway why we are legislating it. Ms. Barker answered that she will provide the cost analysis for the Commission.

Commissioner Sheridan asked how it related to older buildings that aren't gutted during rehabilitation. Commissioner John Owen echoed what Commissioner Sheridan asked and added that we are doing away with the county TDR program and that seems to have an impact. He wondered how these values compensate or relate to each other.

Ms. Sugimura answered that the TDR program expires in June and was focused on Denny Triangle. The program is being studied as to whether it can be expanded – using TDR credits in other areas of the City in order to make them more attractive to use.

Sung Yang stated that he understood the Commission's desire to see data that shows this is not going to add time or costs to projects and that the owners will see a return on their upfront investment fairly quickly. The rigorous energy code here in Seattle will go a long way as part of achieving LEED. Commissioner Quintana asked if the idea is to simply meet a standard or are we trying to save costs. Mr. Yang stated that the Mayor's office does not see competitiveness and public benefit as mutually exclusive.

ACTION: The Planning Commission will continue to review Downtown Zoning Proposal and will provide comments and recommendations to Council in early July as requested. The Commission will request additional information from the Mayor's office, DPD and other departments to better understand the LEED standard.

COMMISSION BUSINESS

- **Approval of April 14, 2005 SPC Minutes**
- **Approval of April 28, 2005 SPC Minutes**

Commissioner Sheridan moved and Commissioner Lyn Krizanich seconded that both the April 14 and April 28 minutes be approved. The minutes were approved unanimously.

COMMISSION UPDATES

PROJECT UPDATES

- **Downtown Zoning Proposal**

Ms. Wilson pointed out the work plan grid that is in the back of the Commissioner's folders. She also noted that the Mayor was about deliver the legislation to City Council. Mr. Yang confirmed that the Law Department was finishing its review of the legislation. Ms. Wilson then asked Bob Morgan from Council Central Staff when City Council would have this on their

agenda. Mr. Morgan replied that he was not staffing the project but the scheduling will depend on the exact arrival of the legislation.

Ms. Wilson noted that the Planning Commission has been asked to brief the City Council on July 13. She also mentioned that the proposal was reviewed in the HNUC meeting and the Commission needed to look at comments to the Draft EIS. She is asking the people who worked on this earlier review to review the answers to the sections they provided questions for. The Commission will also need to specifically address the current proposal that is released.

Chair Blomberg suggested that the HNUC committee could work on this. Ms. Wilson said that she felt that Diane Sugimura got a clear message about the specific types of analysis that the Commission needed. She asked if the Commission would like to do a memo or letter to Diane specifically asking about the issues.

Commissioner Sheridan stated that she felt that all of the Commissioners shared certain concerns about the proposal. Commissioner Krizanich added that this legislation has attracted many add-ons. Because the legislation has momentum there have been different stakeholder groups taking advantage of it. What the working group tried to do is to put growth where it made sense and to make sure the quality of built environment is good. She feels that we need to very quickly ask some questions and get the answers - but not interrupt the momentum. She also suggested that green building goals could and should be an incentive but not a requirement and there might be other better ways to achieve the goals. Commissioner Quintana responded that Councilmember Compton is working on some similar issues with Seattle City Light and that it would be valuable to understand those proposals in context of this proposal.

Commissioner Quintana stated that there needs to be a better understanding of what the requirement replaces and that we need to look at that. Chair Blomberg noted that the current proposal is very different from the original proposal. He added that we need to look at what is at hand and potentially what, if anything has been lost (or gained). Commissioner Hilda Blanco remarked that if the current proposal was so different from the original we could call for another EIS.

Ms. Wilson reminded Commissioners what they had said about this proposal in the past. The Commission's comments have been mostly positive and that there were no red flags. She expressed that what she is hearing now is that the Commissioners are keyed in on the LEED piece and asked if there are any other issues that people want addressed. She noted that there were some other changes the last time Dennis Meier was at the meeting besides the LEED and there were no red flags raised about those issues. It seems as though the LEED incentive/requirement is the main point in need of clarification.

Commissioner Kaplan asked for clarification of Lynne Barker's point that developers/building owners expected a return on their LEED investment in less than 2 years. He stated that he has not heard this from anyone in the development community and if this is so why does it have to be in the code. Commissioner Eanes stated that the data is going to have to be scrutinized very carefully.

▪ **Neighborhood Business District**

Commissioner Eanes explained that he had prepared a letter with the intention to be positive and supportive and still state the primary concerns that we have. This would be backed up by a longer discussion that takes up each of the points in the proposal. He asked if this was the approach to take.

Ms. Wilson noted that some members of the Commission have been asked to sit with City Council at the briefing and offer comment on June 2 and she wanted to be sure the SPC has a clear plan of action.

Commissioner Quintana expressed his concern with the word “untenable” in the letter and the tone that it carries. He suggests softening it a bit. Commissioner Owen shared his support of the letter and stated that the Mayor has been very strong in his words and our concerns have not been taken into account, especially concerning the mapping. Commissioner Eanes stated that what he doesn’t want to happen is for this legislation to be derailed as the opportunity to address many of these issues may not come around again soon.

Commissioner Clements stated that he feels the proposal broadly applies the same requirements everywhere and asked what would be the procedure for customizing them to places that are squeaky wheels. Although he worries that would endorse listening to every squeaky wheel. Commissioner Eanes pointed out that they are going to listen to them anyhow.

Commissioner Sheehy expressed that he agrees with the letter, although he also has concern with “untenable”. He feels that what we are saying will not come as surprise to anyone at the City. Our role is to call out the risk we believe they are taking with their approach. Commissioner Owen suggested that the sentence be changed to take the word “untenable” out and substitute that sentence with “The Commission regards this as having inherent risks both to the neighborhood business district and to the property owners and recommend...”

ACTION: Commissioner Eanes will take the feedback and do another draft the Commission recommendations on the Neighborhood Business District Strategy proposal. His draft will be reviewed to the Commission project team for additional comment and will be ready for review and approved by the full Commission on May 26th.

▪ **Industrial Lands Strategy**

Scott Dvorak introduced Laura Lutz of the Office of Economic Development. He noted that he, Laura and Tom Hauger of DPD attended the Economic Vitality Subcabinet on May 4th to discuss the development of an industrial lands strategy. The Planning Commission has long been asking for the development of such a strategy, and recently City Council included a call for a strategy within legislation they passed on the Comp Plan Threshold. The legislation asks for a report to be completed on August 1. He stated that he will work with Tom and Laura over the next several months developing the background work and getting a document together for review by City departments by July 1 and will provide updates and get feedback from Planning Commission. He noted it might be useful to invite Ms. Lutz back for a more detailed discussion as the work progresses.

▪ **North Bay DEIS Letter**

Chair Blomberg noted for the record that he was recusing himself from any debate or Commission actions on this issue due to a possible conflict of interest.

Mr. Dvorak pointed out that there is draft of the Commission's comments in their folder for their review. Ms. Wilson reminded the Commissioners that the letter needs to be submitted on Monday and encouraged the Commissioners look at the sections that they signed up for.

Commissioner Sheehy suggested that if there are sections that we don't get comment on that we drop those sections. Ms. Wilson added that the important sections we are most lacking comment on are Land Use - Land Use Patterns and Transportation.

Commissioner Eanes stated that as for Land Use the comment should be what we have said all along - that the industrial lands study needs to be completed. Commissioner Hilda Blanco asked if we should comment on the different alternatives and their impact on land use. Commissioner Sheridan replied that if we had the time but that it would be pretty time consuming. Commissioner Blanco felt that this should be done.

Commissioner Eanes stated that the problem with the discussion of Housing in the report is why would this housing occur and who is going to develop it. He is skeptical about demand in this location. Commissioner Sheridan argued that she felt that there is a tremendous demand for housing. Commissioner Eanes stated that it would be good to know that but the report just assumes that there might be housing or there might not.

Commissioner Fiori said that he was still unclear on what is currently permitted there in terms of uses. How much is currently allowed by existing zoning? Kristian Kofoed of DPD replied that most of the parcels are IG2 as opposed to IG1 so there is actually more office allowed in that zone but it is limited by height and FAR. There are three different yard sticks that limit the development of office and retail and it depends on which limit you hit first.

Commissioner Krizanich mentioned that we should hear prospectives from different interests in the area. Ms. Wilson pointed out that there is more than one representative of the industrial community. We have had Dave Gehring come to speak to us before, John Kane of BINMIC was scheduled for today but had to reschedule and there are a couple of other groups that would like to address the Commission.

CITY COUNCIL UPDATES

▪ **Councilmember Richard Conlin (Council Transportation Committee)**

Chair Blomberg welcomed Councilmember Richard Conlin. Councilmember Conlin thanked the Commission for the opportunity to share what has been happening with the Council's Transportation committee. He began by sharing that the key issues that would be coming up for the Transportation Committee are 520, the Viaduct Project, Sound Transit Phase 2 planning, Streetcars and Monorail.

Regarding 520 he stated that Seattle needs to have the ability to determine how 520 goes through our neighborhoods. He said the City will be asking WSDOT to enter some sort of formal agreement where the City and WSDOT will be partners on the Seattle side. The other part of this project will be to define the key interests of Seattle in the 520 bridge. The Committee is drafting a set of principles, including:

- Fix the Montlake interchange
- Limit the expanse of concrete over Portage Bay
- No more than 4 general purpose lanes allowed
- Transit is integral to design, it doesn't have to be built right away but should be included for the future - and it needs more than just bigger pontoons.

These principles will be ready for the Commission's review in about a week. The cities of Redmond and Kirkland are ready to join Seattle and demand that high capacity transit be included in the design and they are hoping to convince Bellevue to join.

Regarding the Viaduct he noted that the emergency closure plan is coming back to committee for recommendation in June or July. This will be a very important set of discussions as to what the City will actually do in the event of a closure and what investments we want to consider in the near future that will make life without the Viaduct better. The second aspect of this is looking at some decisions in relation to construction impacts and how those might be managed. They will be doing a significant workshop on both the construction impact and the waterfront design on June 24. The other huge issue with the Viaduct is whether there is any money that we can match the State's money with. CM Conlin feels that that the State has given us a bit of a bad deal noting that the Eastside basically got the projects that they wanted but the money for the Viaduct and 520 must be matched by 2007 or the funds can be redirected.

Councilmember Conlin noted that Council will be making comments on the Phase 2 of Sound Transit sometime around the end of May and they would like the Commission's comments on that project at that time.

With regard to the Streetcars, Councilmember Conlin stated that the Cities proceeding with the South Lake Union Streetcar and we should think how we could link it with the Waterfront Streetcar. This has been something that the Council has thought is very important. He noted that they have an agreement with SDOT to look at ways to put a streetcar through downtown. They expect SDOT to come back to them with some preliminary answers by June 1. Also in June, Council is expecting feasibility information on the Port's proposal for the Waterfront Streetcar. He anticipates the total package would cost about \$20 million to go about a mile and to construct the maintenance base. The Port has talked about paying for the track and donating the land. There is a question about what "paying for the track" means. The Council considers that paying for the track includes utility relocation.

With regard to the Monorail, Councilmember Conlin noted that this issue will be coming before the Council someday again and it will require the Council to either make some tough financial calls. He noted that he has heard scenarios discussed that would involve fairly creative financing approaches and there is some anticipation that the City may be presented with some sort of truncation of the original plan to consider.

Commissioner Eanes questioned what “creative financing” would entail. Councilmember Conlin replied that what he had been told that the Seattle Monorail Project was proposing doing interest only payments for a considerable period of time.

Commissioner Sheehy noted that all of the things that Councilmember Conlin talked about all seem to have the same deadline. He asked if only one could be picked for the Commission to work on which he would pick. Councilmember Conlin answered that the Viaduct issues are longer term and thus not as urgent, the Streetcar was less urgent but could be interesting in the long term, and that he feels that that single most important issue is the Monorail when it comes back, especially if some of the murmuring about creative financing and truncated proposals turn out to be true. Chair Blomberg asked what the timeline was for this proposal. Councilmember Conlin stated that he thought it would be in July.

Commissioner Sheridan mentioned that the Monorail Review Panel (MRP) and DPD have asked for 3 or 4 months to get up and running again once the project is returned to the City for review. If something different is proposed, existing agreements between the City and SMP would need to be renegotiated.

Commissioner Quintana asked what Councilmember Conlin thought the Council’s initial reaction might be. Councilmember Conlin responded that he was not sure but he felt that there would be a lot of concern depending on how significant the changes are. He added that they will want to look at the proposal in detail.

Commissioner Sheridan asked about the status of the financial study. Councilmember Conlin replied that it is on hold. It has been hard to keep a consultant on retainer as it is taking so long for the contract to be finalized.

Commissioner Owen noted that he was glad to hear that 520 was in their sights. He wondered if Councilmember Conlin had a chance to look at the local impact committee’s report from last March. Councilmember Conlin replied that he had and was actually in close contact with the committee members and are working with folks from Montlake, Eastlake and North Capitol Hill. The first thing that would be coming to the Commission would be the Principles statement in the next week or so.

Commissioner Kaplan asked about the timeline for 520. Commissioner Owen indicated that the DEIS is coming out pretty quick.

Commissioner Eanes asked Commissioner Owen if he felt that it was scary because the State is in the driver seat. Commissioner Owen responded that the project has a lot of impact. It is a huge issue and cuts into the heart of some of our neighborhoods. He added that it is not all negative but it is a big deal.

Councilmember Conlin added that the Council’s vision is the idea that you could bring light rail from the Eastside and touch down in the south parking lot of Husky Stadium where you would have a direct connection to North Link. Commissioner Fiori asked if there was any consideration of a second crossing. Councilmember Conlin responded yes and that I-90 has been identified as the first crossing.

Commissioner Quintana questioned about fixing the Montlake area. Councilmember Conlin stated that the Montlake folks came up with an interesting idea to structure the interchange so that it would be somewhere east of Montlake, near Foster Island, and you would basically have an interchange that would move most of the traffic on to Pacific.

Commissioner Quintana asked if Pacific would be widened. Councilmember Conlin responded that he did not feel that Pacific would need to be widened but that Montlake going north might need to be.

Chair Blomberg asked about the transportation plan for Viaduct closure that folks were talking about over a year ago. Councilmember Conlin responded that there is the Center City Access Plan that would change configurations of transit through Center City and might relieve some pressure off of the Viaduct when necessary.

Ms. Wilson thanked Councilmember Conlin for coming today and noted that when Councilmember Steinbrueck was at the last meeting one of the things he expressed was that he would like more regular communication between the Council and the Commission. She noted that the Commission proposed to Council that we do this on a more regular basis with the priority on the three committees we work with the most; the UDP, Transportation and Housing committees. We would like to keep this dialogue open and have the Council think about making this an ongoing time slot. Councilmember Conlin agreed that it was a great idea.

Chair Blomberg thanked Councilmember Conlin for attending and for the update and discussion

PUBLIC COMMENT

Chair Blomberg asked for public comment. There was no public comment presented.

ADJOURNMENT

Chair Blomberg adjourned the meeting at 5:35 pm.