



MEMO TO: Members of the City Council

FROM: Mayor John Marchione

DATE: July 17, 2018

SUBJECT: Seritage Master Plan and Development Agreement Public Hearing Continuation

I. RECOMMENDED ACTION

By process, continue and close the public hearing and direct staff to bring back the Master Plan and Development Agreement for action at the next available City Council meeting.

II. DEPARTMENT CONTACTS

Erika Vandenbrande, Director, Planning and Community Development	425-556-2457
David Lee, Senior Planner	425-556-2462
Sarah Pyle, Senior Planner	425-556-2426

III. DESCRIPTION/BACKGROUND

The project is located at 2200 148TH Ave NE within the Overlake neighborhood, or as commonly referred to as “The Sears” site. The parcel is zoned as Overlake Village 3 (OV3), and is bordered by OV2 to the north, OV1 to the east, Bellevue to the south (zoned “O”), and Bellevue to the west (zoned “BR-CR”). The site is bounded by NE 24th Street (north), NE 20th St (south), 148th Ave NE (west), and the undeveloped DaVinci Avenue (east).

In summary, the proposal calls for the redevelopment of the approximately 13-acre site. The proposal calls for a mixed-use development that includes:

- 500 multifamily units;
- 210 room hotel;
- 100,100 square feet of street-level retail space;
- 23,000 square feet of market/food retail space;
- 266,800 square feet of office space;
- 62,700 square feet of restaurant space;
- 2,245 stalls of underground parking;
- approximately 2.1 acres of parks and open space.

Due to the size and location of the project, the project requires both a Master Plan and Development Agreement (DA).

The applicant submitted for their application on October 1, 2015. Through the course of the review, the project has conducted a neighborhood meeting on August 17, 2017, and on November 28, 2017. In addition to the neighborhood meetings, the City sponsored a neighborhood informational meeting on March 8, 2018. After several study sessions and staff reports, the City Council called for a public hearing at the April 24, 2018, study session.

The Technical Committee and staff have completed their review of the project and is transmitting a recommendation to the City Council as a part of this memo (see Attachment A). The Technical Committee is recommending approval of the project based on the decisional criteria of RZC 21.76.070(P)(5), the City of Redmond Comprehensive Plan, and the Overlake Master Plan & Implementation Strategy. RZC 21.76.070(P)(5) has 15 criteria for approval, and all 15 criteria have been met as enumerated in the Technical Committee report. The proposed plan also falls in line with the City of Redmond Comprehensive plan and enacts the policies and vision of the Overlake Neighborhood and speaks to seven policies. In terms of the Overlake Master Plan and Implementation Strategy, the project site is listed as one of the key cornerstones of the Overlake Master Plan and the proposed project enacts nine policies listed within the Overlake Master Plan and Implementation Strategy.

Technical review was conducted over five rounds of review with planning, transportation, storm water, utilities, parks, fire, and legal. The review included the review of the Redmond Zoning Code to ensure the compliance with such things as:

- Design
- Density
- Affordable Housing
- Infrastructure
- Open Space
- Dimensional Requirements
- Zone Specific Regulations

Technical review staff also reviewed the application against the Revised Code of Washington (RCW), the Washington Administrative Code (WAC), adopted city transportation plans, State Environmental Policy Act (SEPA), and the City of Redmond Comprehensive Plan (Redmond 2030). The review process and the development agreement have also undergone legal review to ensure the City's interests and authority. During the course of the review, public participation was elicited with two code mandated neighborhood meetings, and a voluntary neighborhood informational meeting. In addition to the meetings, the public has been engaged in council meetings, the public hearing, and through online sources (e.g. project website and emails). Comments received were checked against the aforementioned technical review for substantive comments. All comments received have been addressed in a public comments matrix, as provided to the City Council throughout this project.

Staff has attached a copy of the Technical Committee's staff report (originally transmitted to the Council at the June 12, 2018, hearing) for ease of access (Attachment A). All

attachments listed in the Technical Committee's staff report can be found on the June 12, 2018, Council agenda memo packet. In addition, as indicated at the June 12, 2018, public hearing, an error was made in the memo which referenced a January 8, 2018, transportation study, which should have been the February 12, 2018, transportation study. The only substantive difference between the two studies is the appendix which responds to the City of Bellevue's transportation department's comments. The correct transportation study has been attached to this memo for reference (Attachment B).

Staff has updated the public comments issues matrix, please refer to Attachment C. In addition to the public comment matrix, comments/suggestions made by the public that have been addressed through the Master Plan or that cannot be incorporated into the Master Plan have also been shown separately (Attachment D). And lastly, an analysis has been performed on the Council's question on the potential application of LEED ND on this project (Attachment E).

The applicant has expressed a desire to be able to respond to the Council and the public on what they had heard during the public hearing. The applicant has asked the City Council to consider letting them present a ten-minute presentation covering the Council and the public's questions and concerns.

Next Steps

Staff is recommending that the City Council conclude the public hearing at this meeting and allow staff to bring the Master Plan and Development Agreement forward for action at the next available City Council meeting. Staff will be able to accommodate any potential changes/conditions to the Master Plan and Development Agreement arising from the public hearing. Again, staff would like to extend its gratitude to the City Council for their continued thoughtful questions and time dedicated to this project.

IV. PREVIOUS DISCUSSIONS HELD

November 12, 2017 – Planning and Public Works Committee
January 23, 2018 – City Council Study Session
April 3, 2018 – City Council Staff Report
April 24, 2018 – City Council Study Session
May 22, 2018 – City Council Study Session
June 12, 2018 – City Council Public Hearing
June 19, 2018 – City Council Study Session

V. IMPACT

A. Service/Delivery:

The Master Plan and Development Agreement do not have significant impacts on City services or the delivery of such services. Fire and parks services will be mitigated through impact fees or the implementation of a parks plan for this site.

The site lies within the Bellevue School District. Currently, the Bellevue School District does not assess school impact fees for multifamily developments.

B. Fiscal Note:

The Master Plan and Development agreement is not anticipated to have significant negative fiscal impacts. Revenue from land use review, civil reviews, and eventual building permits will be generated as a result of this project.

VI. ALTERNATIVES TO STAFF RECOMMENDATION

Continue the public hearing to allow for more study sessions or testimony.

VII. TIME CONSTRAINTS

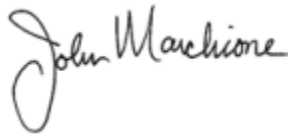
The applicant would appreciate a timely review.

VIII. LIST OF ATTACHMENTS

Attachment A: Technical Committee Report
Attachment B: February 12, 2018, Transportation Study
Attachment C: Updated Public Comments Issues Matrix
Attachment D: Project and Non-Project Questions/Comments
Attachment E: LEED ND Analysis



Erika Vandenbrande, Director of Planning and Community Development



Approved for Agenda _____
John Marchione, Mayor