

**PLANNING COMMISSION AGENDA ITEM
CITY OF SHORELINE, WASHINGTON**

AGENDA TITLE: Development Regulations for 185th Street Light Rail Station Subarea Plan

DEPARTMENT: Planning & Community Development

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Public Hearing
 Discussion

Study Session
 Update

Recommendation Only
 Other

BACKGROUND

This staff report is the culmination of Development Code regulation discussions from August 7, September 4, September 18, October 2, and October 16, 2014. This staff report also serves as an opportunity for staff to point out any changes/revisions to Development Code requirements that have been drafted since the Commission provided initial feedback. The Commission will get another chance to evaluate the final Development Code regulations at the December 18 study session and the January 15, 2015 public hearing. The draft Development Code regulations are included as **Attachment A**.

This staff report is organized into three sections: Proposed Development Code Regulations, Mandatory or Voluntary Regulations in either all MUR zones and/or the MUR-85 zone with a Development Agreement, and Revised and/or Updated Development Code Regulations. Based on our adoption schedule, we hope to have the Commission's final comments on the proposed development code regulations tonight without additional planning topics to be added.

I. PROPOSED DEVELOPMENT CODE REGULATIONS

In August, September, and October the Planning Commission reviewed and provided feedback to staff on regulations that will apply to the new zoning categories implemented by the 185th Street Station Subarea Plan (185SSSP). The regulations are summarized by the following sections:

Chapter 20.10 – General Provisions

20.10.020 – Purpose

20.10.020 describes the purpose of the Development Code. The proposal is to strike the purpose “Avoid excessive concentrations of population” and replace it with “provide well planned areas of Transit-Oriented Communities around light rail stations and along other high-capacity transit corridors”. Staff believes this change is necessary to implement the direction of the Land Use policies in the Comprehensive Plan related to establishing areas around light rail stations as appropriate for greater community activity due to the proximity to light rail service and adjacent neighborhood amenities.

Chapter 20.20 – Definitions

There are a number of definitions that must be added to Chapter 20.20 to implement development regulations for the 185th Street Light Rail Station Subarea Plan. Proposed definitions include:

- Affordable Housing
- Development Agreement
- Live/Work Dwelling
- Housing Expenses
- Household Income
- Median Income
- Light Rail Facilities and Services

Chapter 20.30 – Procedures and Administration

Chapter 20.30 is the procedures and administration section of the Development Code and describes the types of permits the City requires for certain types of development and the way those permits are administered by Staff. A new addition to Chapter 20.30 is the inclusion of Development Agreements.

A Development Agreement is a contractual agreement between the City and developer to permit new projects that may include conditions or other special development requirements. Section 20.30.338 will add the purpose, contents, approval procedures, and criteria and requirements for a Development Agreement. The notice requirements, review authority, decision making authority, and target time limits for decisions for a Development Agreement will be added to Table 20.30.060. Table 20.30.060 is the review procedures for a Type L permit, which is a legislative decision I permit type. Type L permits typically go before the Planning Commission, which makes a recommendation to the City Council. Per RCW 36.70B.200, a Development Agreement must be approved through an ordinance or resolution.

The intent of the Development Agreement is to define the parameters of development that is allowed on sites zoned MUR-85 in exchange for more flexible development regulations or added development potential. The proposed language contained in Attachment A includes required and optional components to be contained within the Development Agreement that a developer may choose from.

Chapter 20.40 – Zoning and Use Provisions

Chapter 20.40 is the section of the Development Code that explains the different zoning categories throughout the city, explains the purpose for each of the zones, and establishes the uses that are allowed in each of the zoning districts and regulations that govern the uses.

Three new multiple use residential zoning districts named Mixed-Use Residential (MUR-35, MUR-45, and MUR-85) are proposed to be added to the zoning table. The proposed zones differ from other residential zones that are typically defined by a dwelling unit density limit, such as Residential-12 units per acre (R-12) and Residential-18 units per acre (R-18). In contrast, the proposed MUR zones will be defined by height. MUR-35 has a 35-foot height limit, MUR-45 has a 45-foot height limit, and MUR-85 has an 85-foot height limit. There will be greater inclusion of other uses allowed entirely by right or as an accessory. It is also proposed that affordable housing be required in the MUR-85 zone. The City has implemented this type of regulation through the commercial zone consolidation project, which eliminated density requirements and defined the scale of development through height, bulk, and parking standards.

The primary reason for the new zoning classifications is to provide flexibility for developers to build the community envisioned by the Light Rail Station Area Land Use policies in concert with Vision 2029, and many other goals and policies found throughout the City's Comprehensive Plan and other implementing plans and strategies. Staff also sees a benefit of defining height and bulk standards rather than the number of units. The building size will be defined by height, setbacks, lot coverage, landscaping, and parking.

The second reason for new zoning classifications is that it is important to allow a mix of uses within the subarea to encourage the development of residential units with supporting retail or service uses. It is important to note that "mixed-use buildings" are not required, but a mix of uses throughout the Subarea is encouraged. This technique will be useful in creating more complete communities and activity with a "sense of place" that is desired within the station subarea.

This chapter also includes a new use table with uses that are complementary to the station and a Transit-Oriented Community where services and retail are within walking distance, thus requiring less reliance on cars and more on transit and non-motorized travel. This table lists land uses that are permitted, conditional, special, required, or accessory in each of the new zones. There are a number of new uses introduced, such as live/work units and mini-storage. The table also lists uses that have supplemental indexed criteria. For example, live/work units are permitted in the MUR-35 zone subject to supplemental use criteria that requires the project site to be located on a Collector or Arterial Street.

Chapter 20.50 – General Development Standards

Chapter 20.50 covers density and dimension, design standards, tree regulations, parking, landscaping, and signs. There are a number of changes to this chapter, mostly

related to inserting the new zoning categories (MUR-35, MUR-45, and MUR-85) into relevant sections. Updates are generally listed below:

20.50.020 – Dimensional requirements. This table explains the dimensional and density standards for the proposed zones. The table includes new concepts such as no prescribed unit density maximums by lot size, increased height around the light rail stations, and minimum density requirements in the MUR-85 Zone.

20.50.140 – Multi-family parking and access. To encourage aesthetically pleasing design and to guard against the “canyon effect” of driveways to parking areas for serving multiple townhomes on a site (commonly referred to as “4-6 packs”), Section 20.50.140 includes a provision for landscaping along driveways that serves to “soften” the placement of driveways.

20.50.240 – Site design. The new zoning categories of MUR-35 through MUR-85 are proposed to be classified as residential zones. However, the design standards that would be applied are commercial design standards. This is intentional because the commercial design standards include design standards for multifamily buildings, which are much more thorough than the City’s multifamily design standards located in SMC 20.50 Subchapter 3.

Changes to 20.50.240 include building step-backs on Arterial Streets, access, and pedestrian amenities in public places. Another important provision added to this chapter is the requirement for alternative access when a project is located on 185th Street. It is the City’s proposed plan to make 185th Street a “Station Boulevard” that includes wide sidewalks, bicycle lanes, and increased bus access. It is the City’s preference to decrease the amount of curb cuts on 185th Street to increase mobility and reduce congestion along the corridor, and to provide increased safety for all users.

20.50.400 – Reductions to minimum parking requirements. The proposed development regulations will apply all of the City’s existing parking requirements to new development within the 185th Street station subarea. The section has been updated to include only one difference, an automatic parking reduction by the Director for multifamily development within a ¼ mile of the light rail station.

Staff researched what other jurisdictions have required for parking in their station areas. A majority of the jurisdictions require one (1) parking space per unit with the ability to reduce parking standards based on specific criteria. One city, Seattle, does not require any parking within their station areas. The City of Shoreline currently requires .75 parking spaces for studio and 1-bedroom units and 1.5 parking spaces for units with 2 or greater bedrooms. Staff believes having the ability to reduce parking standards in close proximity to the light rail station may be appropriate in certain situations and within certain distances from the light rail station.

20.50.540 – Sign design. The only addition here is adding the proposed zones to the existing sign code.

II. MANDATORY OR VOLUNTARY REGULATIONS

The Commission contemplated which requirements should be mandatory in all of the MUR zones (MUR-35, MUR-45, and MUR-85) and which requirements should be mandatory when an applicant applies for a Development Agreement in the MUR-85 Zone.

At the October 2 Commission meeting, the Commission expressed interest in applying three mandatory requirements; affordable housing, LEED, and structured parking in the MUR-85 zone as a requirement to obtain a Development Agreement.

At the October 16 meeting, the Commission contemplated requirements that applied to all of the MUR zones, including affordable housing as either a mandatory or voluntary component in all the MUR zones.

III. REVISED AND/OR UPDATED DEVELOPMENT CODE REGULATIONS

These are items that staff believes are important changes and the Commission should weigh-in on these requirements.

- A new section in 20.40 includes indexed criteria for apartments. This section states where apartments are permitted in the MUR zones and makes clear that apartments do not include microhousing. The indexed criterion also includes a definition for microhousing.
- A phasing plan is written into Section 20.40.050. The Planning Commission generally agreed that a phased zoning approach should be considered. Some Commissioners believed that the boundaries of the proposed Phase 1 should expand slightly, while some Commissioners believed that phasing should not be considered at all. Also, the Commission as a whole believed that the only trigger for unlocking Phase 2 should be a date certain. For example, 10 or 20 years after the station opens. Staff has included the Phase 1 zoning map as **Attachment B**.
- Affordable Housing

At the October 16 meeting, the Commission contemplated requirements that applied to all of the MUR zones, including affordable housing in the MUR-85 zone. Attachment A has been updated to create an affordable housing program specific to the 185th Light Rail Station Subarea. The key components include:

1. Requiring 15% of all units for rent or sale in the MUR 85 zone to be affordable to households making 70% or less of the median income for King County adjusted for household size for rental units and 80% or less for individual for sale units for a minimum of 50 years in return for the increased development potential created through implementation of the subarea plan, Property Tax Exemptions and possible Impact Fee reductions;

2. Requiring 20% of all units for rent or sale in the MUR 85 with a Development Agreement to be affordable to households making 60% or less of median income for King County adjusted for household size; or 10% of the same units affordable to households making 50% or less of the median Income for King County in return for unlimited height, Property Tax Exemptions and Impact Fee reductions.
3. Developing a voluntary affordable housing incentive program in the MUR 35 and 45 zones.
4. Developing a fee in lieu of construction option for mandatory affordable housing.
5. Developing the procedural requirements for affordable housing.

The following Goals and Policies from the Housing Chapter of the City's Comprehensive Plan have guided the development of these requirements and incentives for affordable housing in the 185th Street Light Rail Station Subarea:

Goal H III: Preserve and develop housing throughout the city that addresses the needs of all economic segments of the community, including underserved populations, such as households making less than 30% of Area Median Income.

Policy H2: Provide incentives to encourage residential development in commercial zones, especially those within proximity to transit, to support local businesses.

Policy H8: Explore a variety and combination of incentives to encourage market rate and non-profit developers to build more units with deeper levels of affordability.

Policy H9: Explore the feasibility of creating a City housing trust fund for development of low income housing.

Policy H11: Encourage affordable housing availability in all neighborhoods throughout the city, particularly in proximity to transit, employment, and/or educational opportunities.

Policy H12: Encourage that any affordable housing funded in the city with public funds remains affordable for the longest possible term, with a minimum of 50 years.

Policy H13: Consider revising the Property Tax Exemption (PTE) incentive to include an affordability requirement in areas of Shoreline where it is not currently required, and incorporate tiered levels so that a smaller percentage of units would be required if they were affordable to lower income households.

Policy H18: Consider mandating an affordability component in Light Rail Station Areas or other Transit-Oriented Communities.

QUESTION: *Does the mandatory program for the MUR 85 zone implement the City's goals and policies? The percentages of units and affordability levels have been adjusted since the Commission last discussed affordable housing. Does*

the Planning Commission have any concerns or recommended changes to the drafted language for affordable housing in the 185th Street Light Rail Station Subarea in preparation for the Public Hearing?

REMAINING TOPIC

Based on public comment and Commission request, staff researched Pasadena's regulations for commercial uses that address the potential nuisances and disturbances to adjoining residential neighborhoods and commercial areas that are in transition from single family residential to Mixed Use Residential (MUR) development.

The City of Pasadena more strictly regulates specified uses such as alcohol sales, arcades, home occupations, live entertainment, tobacco sales, live/work units that may cause an undue impact on nearby residential units. For example, these requirements:

1. Set distances from these uses from public parks, schools and churches;
2. Specify that these uses cannot interfere with pedestrian movement on sidewalks;
3. Define the provisions for litter and garbage receptacles;
4. Prohibit outdoor and limit interior waiting areas;
5. Limit alcohol sales;
6. Require the posting of "No Loitering" signs;
7. Require patron bathrooms;
8. Limit the scope, materials, and content of home occupations;
9. Limit entrances from facing residential uses; and
10. Limit types of entertainment with land uses approvals.

Shoreline has general regulations regarding noise, public nuisance, blocking sidewalks, bathrooms, and specific home occupation regulations. Pasadena's adopted regulations are typical when a commercial area has become popular with active problems, and in response targets specific regulations to those types of land uses.

Question: Would the Commission like to pursue similar restrictions in the 185th Street Light Rail Station Area?

NEXT STEPS

November 20- Review Final Environmental Impact Statement (EIS) and discuss how this could impact potential zoning to be adopted as part of 185SSSP. Potentially discuss policies to be included in Subarea Plan or other components.

December 4- Discuss Subarea Plan and Planned Action Ordinance.

December 18- Any unresolved topics or possible study session leading up to public hearing.

January 1- This meeting will be cancelled because of the New Year holiday.

January 15- Public Hearing on full 185SSSP package, which will consist of Subarea Plan (including policies, prioritized capital projects, Comprehensive Plan Land Use and zoning designations), Development Code regulations, Final EIS, and Planned Action Ordinance.

If the Commission is able to make a final recommendation to Council following the public hearing, the full 185SSSP package will be forwarded for final revisions and adoption. If not, the public hearing will be continued to the next regular meeting (February 5) or possibly the 5th Thursday in January (29).

ATTACHMENTS

Attachment A: Draft Development Regulations
Attachment B: Phase 1 Zoning Map