Planning Commission Meeting Date: December 17, 2015

Agenda Item

PLANNING COMMISSION AGENDA ITEM CITY OF SHORELINE, WASHINGTON

| AGENDA TITLE: DEPARTMENT: PRESENTED BY: | Facilities Permitting Process and Applicable Regulations Planning & Community Development | | | |
|---|---|-------------------------|--|------------------------------|
| ☐ Public Hearir☐ Discussion | ng 🖂 | Study Session Update | | Recommendation Only Other |

INTRODUCTION

Light rail is on its way to Shoreline beginning service in 2023. Based on Sound Transit's latest schedule, permit review will begin as early as 2016. While the City's Development Code includes the permit types needed to approve the construction activities associated with the light rail systems and facilities, the City does not have a process to approve a light rail system/ facility in the existing zones.

Most of the land that Sound transit will be constructing its stations, parking garages, and rail upon is zoned Residential 6 dwelling units per acre (R-6). Obviously, a light rail transit system/ facility will not be able to comply with the limitations of that zone.

Currently, the Code specifies that light rail transit facilities/systems require a Development Agreement. The Development Agreement as defined by State law is not designed to accommodate deviations or variances from the underlying zone's regulations.

Staff recommends using the process identified in the Comprehensive Plan for siting essential public facilities (LU60 through LU65), a Special Use Permit process, instead of the Development Agreement process.

The purpose of this study session is to:

- Have a collaborative discussion with the Commission about proposed amendments
- Respond to questions regarding the proposed amendments
- Receive feedback from the Commission on the merits of the amendments
- Determine what amendments need more research/analysis

- Identify if there is a need for additional amendments
- Deliberate and, if necessary, ask further questions of staff
- Develop a recommended set of Development Code Amendments for the Public Hearing

Amendments to Shoreline Municipal Code (SMC) Title 20 (Development Code) are processed as legislative decisions. Legislative decisions are non-project decisions made by the City Council under its authority to establish policies and regulations. The Planning Commission is the reviewing authority for legislative decisions and is responsible for holding an open record Public Hearing on the official docket of proposed Development Code Amendments and making a recommendation to the City Council on each amendment.

BACKGROUND

The Planning Commission spent multiple meetings discussing draft amendments regarding the land use entitlement process that will allow Sound Transit's development activities. The Planning Commission studied these amendments on May 7, June 4, and September 3, 2015. On October 1, the Commission held a public hearing on the draft amendments and it was at this meeting staff recommended removing Sound Transit related amendments to be brought back at a later date.

Further review of existing Development Code and proposed amendments has revealed potential gaps in the City's process for permitting Sound Transit's light rail transit system/facility. The Code currently specifies that light rail transit facilities/systems require a Development Agreement. The Development Agreement as defined by State law is not designed to be a tool to accommodate deviations or variances from the underlying zone's regulations. The light rail transit facility/system is an essential public facility, and therefore, it is appropriate to allow for deviations or variances from underlying zoning to accommodate the use in certain situations. The recommendation is to instead use the process identified in the Comprehensive Plan for siting essential public facilities, a Special Use Permit Process.

The Special Use Permit process would be used to:

- Locate the light rail systems/facilities as an essential facility in zones where this
 use would be prohibited;
- Through the application of criteria, condition the light rail systems/facilities to be more compatible with adjacent land uses;
- Establish which regulations apply to Sound Transit projects, especially when the project is located in unclassified land. Unclassified land, is land that is not zoned which is primarily various types of right of way; and
- Approve deviations from the regulations as appropriate to accommodate the light rail systems/facilities as essential public facilities.

Additionally, the City Attorney's Office advised that the light rail transit facility/system use should not be approved as a legislative action even though Development Agreements, the current process for approving these uses is legislative. Quasi-judicial processes are to be used when processing applications that involve a single entity, actions that are not wide in scope and based on a specific proposal. The following chart provides options for how to process a Special Use Permit for a light rail transit system/facility:

| Quasi Judicial Review & Approval Authority OPTIONS | PROS | CONS |
|--|---|---|
| Hearing Examiner in an Open Record Hearing makes recommendation to the Council and Council in a Closed Record Hearing approves/denies permit | Thorough review and analysis prior to Council review stage Examiner knows how to manage the hearing process and create the necessary record to make an informed recommendation on a project permit application Citizens would be involved and able to testify in the open record Hearing, and present argument in the closed record Council hearing process Limits time commitment of Council if Council is willing to place strict time | Does not follow current Code process for SUP decisions, but a special process could be created in the code amendments Council would be prohibited from discussing matter with Citizens or Sound Transit under the Appearance of Fairness Doctrine (or, if they did have such conversations, they would need to be disclosed on the record in the hearing) Citizens will likely be confused about difference between "open record" evidentiary |

| | limits on Citizen argument based on Hearing Examiner record Keeps Council involved with the ultimate decision without getting bogged down in the minutiae, so long as Council is willing to place strict time limits on Citizen argument based on Hearing Examiner record Council does not have to manage the open record evidentiary hearing process and potentially shut-down abusive, overlong, or irrelevant public testimony If the current Code amendment process sets forth sufficient criteria and a clear process for approval, and Sound Transit meets those criteria, then basis for decision should be clear and, easy for Council to articulate. Clear process provided for Sound Transit | hearing and "closed record" argument before Council |
|--|--|---|
| 2. Planning Commission in an Open Record Hearing makes recommendation to Council and Council in a Closed Record Hearing approves/denies permit | Would provide Council with an analysis and recommendation prior to final decision | Doesn't follow current Code process for SUP decisions, but a special process could be created in the code amendments Not typically the Planning Commission's role to issue a recommendation on a project specific permit—that is something the Hearing Examiner would be better suited for Would be incongruous |

| | | | • | with existing code to make the Planning Commission the recommendation authority for a project permit Planning Commission (made up of Citizens) might be more easily swayed by public opinion than the Hearing Examiner, who is independent and familiar with such reviews and public testimony regarding specific projects Council would be prohibited from discussing matter with Citizens or Sound Transit under the Appearance of Fairness Doctrine (or, if they did have such conversations, they would need to be disclosed on the record in the hearing) Citizens will likely be confused about difference between "open record" evidentiary hearing and "closed record" argument before Council |
|----|---|---|---|--|
| 3. | Council in an Open Record Hearing takes testimony, comments and then makes decision | Council gets a lot of face time with Citizens Places nearly the entire responsibility for the decision (for better or worse) squarely on the shoulders of the Council Citizens like the ability to directly address Council | • | Doesn't follow current Code process for SUP decisions, but a special process could be created in the code amendments Most intense time commitment from the Council from among the options Places nearly the entire |

| | | responsibility for the decision (for better or worse) squarely on the shoulders of the Council Likely to be a frustrating process for Sound Transit, given the likely politicization of the process Citizens likely to be frustrated by amount of time they need to sit in what will likely be a protracted Council hearing. Difficult for Council members to assert control over Citizen comments that may be off topic, overlong, abusive or otherwise contrary to a well-run process Potential for less well-developed record Council would be prohibited under the Appearance of Fairness Doctrine from discussing matter with Citizens or Sound Transit outside the hearing process (or, if they did have such conversations, they would need to be disclosed on the record in the hearing) |
|--|---|---|
| 4. Hearing Examiner after an Open Record Hearing makes final decision. (current process for SUP) | Council would not need to spend time on permit decision process Council would not be viewed as the permitting authority and therefore would not receive blame for the decision | Prevents Council from making the final decision Council would not be viewed as the permitting authority and therefore would not receive or credit for the decision Prevents Council from |

| | Council would NOT be prohibited from discussing matter with Citizens and Sound Transit, but would have no decision-making authority to change the Examiner's decision Citizens can freely communicate with Council Sound Transit would likely perceive this as best process | being involved in the permitting process |
|---|--|---|
| 5. Director without a hearing makes decision at administrative level (appealable to Hearing Examiner) | Council would not need to spend time on permit decision process Council would not be viewed as the permitting authority and therefore would not receive blame for the decision Council would NOT be prohibited from discussing matter with Citizens and Sound Transit, but would have no decision-making authority to change the Examiner's decision Citizens can freely communicate with Council | Doesn't follow current Code process for SUP decisions, but a special process could be created in the code amendments Essentially no Citizen involvement without an appeal to the Hearing Examiner Much greater likelihood for appeal, and frustration from Citizens |

The Draft amendments in Attachment A are utilizing Option 4, the current process for a Special Use Permit.

Finally, the City Attorney's office noted that the majority of the light rail transit facility/system will be located in unclassified ROW. Unclassified ROW is not zoned. This may present a problem in identifying which regulations will apply to various portions of the Sound Transit project because most of the City's regulations are tied to

zones. The proposed amendments list the sections of the Development Code that are to be applied to light rail transit systems/facilities regardless of zone, and use the Special Use Permit process to refine these regulations as necessary to locate an essential public facility.

Consistency of Application Amendment

20.50.480 Street trees and landscaping within the right-of-way – Standards.

The Code section noted below needs to be updated to clearly apply to light rail systems/facilities. It really doesn't need to be "zone" based and does not directly correspond to existing zones. Commercial, office, industrial, public facility and multifamily more aptly describes broad categories of uses.

A. When frontage improvements are required by Chapter <u>20.70</u> SMC, street trees are required in for all commercial, office, industrial, <u>public facility</u>, multifamily zones developments, and for single-family subdivisions on all arterial streets.

TIMING AND SCHEDULE

- January 21, 2016 Planning Commission Public Hearing
- February 8, 2016 City Council discussion
- February 29, 2016 City Council adoption

RECOMMENDATION

No recommendation is provided for this study session. Staff may make revisions based on tonight's discussion and bring a recommended set of amendments to Commission on January 21, 2016.

ATTACHMENT

Attachment A – Draft Development Code Amendments related to Light Rail Systems/Facilities