



TO: Honorable Members of the Shoreline City Council

FROM: Bill Montero, Chair
Shoreline Planning Commission

DATE: July 18, 2019

RE: Shoreline Place Development Agreement, Application No. PLN18-0206

The Shoreline Planning Commission has completed its review of a Development Agreement proposed by the Merlone Geier Partnership (MGP) for redevelopment of the Sears Property, a 17-acre portion of Shoreline Place (formerly Aurora Square), into a mixed-use development.

Enclosed you will find the Planning Commission's Findings, Conclusion, and Recommendation Report in regard to the proposed Development Agreement.

The Planning Commission respectfully recommends, that the City Council approve MGP's proposed Development Agreement as attached to the Findings, Conclusion and Recommendation Report as Exhibit A.

SHORELINE PLACE DEVELOPMENT AGREEMENT
Applicant No. PLN18-0206

Findings, Conclusions, and Recommendations

Shoreline Planning Commission
July 18, 2019

A. FINDINGS

1. On December 21, 2018, Merlone Geier Partnership (MGP) prepared and submitted to the City of Shoreline (City or Shoreline) an application for the Shoreline Place Development Agreement to redevelop property commonly known as the Sears Property. *Exhibit A(1)*.
2. The Sears Property is comprised of one single parcel, King County Tax Parcel No. 182604-9014, and constitutes a portion (approximately 30%) of the larger 70-acre 1960s-era shopping center consisting of multiple parcels of property under different ownerships. The larger 70-acre parcel now called Shoreline Place (formerly referred to as Aurora Square). *Exhibit E(1), Attachment E, Exhibit A*.
3. Redevelopment of Shoreline Place has been a longstanding goal of the City. To accomplish this goal, in 2012, the City Council designated the area as a Community Renewal Area (CRA) as authorized by RCW 35.81 to bring renewal of this economically blighted area through public-private partnerships. In 2013, the City Council approved the *Aurora Square Community Renewal Area Plan* (CRA Plan). *Exhibit E(1), Attachment C*.
4. The intent of the CRA Plan was to provide potentially interested developers a vision of the type of redevelopment that could be done within the CRA. This vision denotes a variety of development possibilities and activities including mixed-use development with a vibrant center with active green spaces, restaurants, and public spaces for community gathering. *Exhibit E(1), Attachment C*.
5. With its development agreement application, MGP seeks to redevelop the 17.3-acre Sears Property into a mixed-use, pedestrian-friendly development comprised of seven (7) multi-family buildings that will provide 1,358 residential units and two (2) commercial buildings that will add 72,160 square feet of new commercial space. The proposed development agreement would also provide public and private open space, with the publicly-accessible open space totaling approximately 3.14-3.47 acres, as well as required mitigation and public infrastructure improvements, including streets and utilities.

6. MGP's proposed development agreement for redevelopment of its property would occur in phases and the terms and conditions of the development agreement are binding on the City and Developer for up to a 20-year time period and any permit issued by the City for the development must be consistent with the development agreement's terms and conditions. The development agreement is a binding contract between the City and the property owner (and their successors) for the term of the development agreement. After approval and execution of the development agreement, any permit subsequently issued by the City must be consistent with the development agreement's terms and conditions. *Exhibit E(1) at 3, Attachment E, Exhibit D – Project Overview; Exhibit E(1), Attachment E, Recital 6, Section 2 Project Components, Section 31 Agreement to Run With Land, and Section 39 Binding Effect.*
7. Phasing of the full development is proposed within the context of six (6) defined development blocks. Blocks A and B will be residential. Blocks C and D will be a mixture of retail and residential. Blocks E and F will be retail. Infrastructure improvements related to each phase have been assigned by block. An overview of details for each block start at Page 48 of the Conceptual Guide Plan. The order of development of the blocks will be based on market demand. *Exhibit E(1), Attachment E, Section 5; Exhibit E(1), Attachment E, Exhibit D at 11 (Overview); Exhibit E(1), Attachment E, Exhibit D at 48-86; Exhibit E(1), Attachment E, Exhibit O.*
8. As authorized by RCW 36.70B.170 - 36.70B.210, the City adopted procedures and criteria for the consideration of a development agreement. The procedures and criteria are set forth in SMC 20.30.355. For the City to grant approval of a development agreement, MGP must demonstrate that all six (6) decision criteria listed in SMC 20.30.355(C) are met. *Exhibit E(1), Attachment A.*
9. SMC 20.30.355(E) tasks the Planning Commission with initial review of a development agreement, the holding of a public hearing, and the formulation of a recommendation to the City Council. *Exhibit E(1), Attachment A.*
10. Upon approval of the development agreement by the City Council, MGP must in addition obtain all required permits – building, site development, right-of-way, demolition – before it may begin to construct any of its project.
11. Execution of the development agreement is within the City's contracting authority and is also an exercise of the City's police powers, which speak to the public interest and welfare of the City as a whole. The development agreement must ensure that a proper balance of the public benefit and private interests are represented in the development agreement. *Exhibit E(1) at 4.*
12. In 2015, as authorized by the State Environmental Policy Act, chapter 43.21C RCW (SEPA), the City Council designated the CRA as a Planned Action so as to streamline the development process by bringing together environmental analysis and mitigation measures prior to project proposal with its adoption of Ordinance No. 705 (SEPA Planned Action). Because of the upfront environmental analysis, the review process

for developments satisfying the SEPA Planned Action criteria is not subject to further environmental review. *Exhibit E(1), Attachment B.*

13. MGP sought a Planned Action Determination of Consistency that was issued by the City on March 8, 2019, with a Revised Planned Action Determination of Consistency issued on April 17, 2019, based in part on information presented in the Shoreline Place – Transportation Consistency/Traffic Impact Analysis Expanded Study, dated April 8, 2019, prepared by MGP. *Exhibit E(1), Attachment D.*
14. The CRA Plan and the Planned Action Ordinance, in conjunction with the Economic Development Element of the Comprehensive Plan, speaks to the economically blighted nature of Shoreline Place. *Exhibit A(1) and A(2); Exhibit B(1); Testimony of Daum: Exhibit D(2).*
15. MGP's proposal will become a catalyst for future development helping to transform Shoreline Place into a walkable and vibrant urban environment that will positively impact the economy for that area. The proposed Development Agreement meets the goals as it will provide housing adjacent to goods, services, and transit; entertainment options; efficiency in land use; and revitalize a functionally obsolete area. *Exhibit E(1), Attachment E, Recital 7; Testimony of Daum: Exhibit D(2).*
16. The proposed Development Agreement implements and is consistent with numerous goals and policies set forth in the City's Comprehensive Plan. These goals and policies are contained in the following Comprehensive Plan Elements: Land Use, Community Design, Housing, Transportation, Economic Development, Capital Facilities, and Parks and Recreation. *Exhibit E(1), Attachment F.*
17. The Planning Commission held study sessions on the proposed Development Agreement on March 7, 2019, May 2, 2019, May 16, 2019, and June 6, 2019, where Staff, MGP representatives, and the public reviewed, discussed, and commented on the proposed Development Agreement. *Exhibits A to Exhibit D.*
18. The City provided mailed notice of the Planning Commission study sessions and public hearing to property owners within a 1000-foot radius of the Sears Property on May 16, May 29, June 6, and June 19, 2019. Notice was also provided via the Planning Commission's Agenda on the City's website and posted on site. *Noticing & SEPA Exhibit List.*
19. Members of the public and the other multiple property owners within Shoreline Place, including Retail Opportunities Investment Corporation (ROIC), commented both in writing and orally on the proposal at the various meetings. *Exhibit B(2)-(3), Exhibit C(2)-(3), Exhibit D(2)-(3), Exhibit E(2); ROIC Testimony, July 11.*
20. ROIC's submitted comments related to the phasing order of development/deadline for removal of the vacant Sears building, tenant protections, parking, property rights

(easements), circulation, and equity in future redevelopment capacity. ROIC's concerns were also shared by some of its tenants. *Id.*

21. Comments submitted by members of the public, while supportive of the redevelopment of Shoreline Place and the benefits it would bring the community, did raise concerns that the proposed redevelopment was not implementing the vision of the CRA Plan; potential impacts on the surrounding low-density residential neighborhoods given the scale of development; concern of increased traffic and parking conflicts; and infrastructure improvements. *Id.*
22. With its proposed Development Agreement, MGP submitted a *Conceptual Guide Plan* which sets forth a conceptual guide to which redevelopment of the Sears Property will generally conform. Depictions of building footprints, bulk and scale drawings, and number of stories in the Conceptual Guide Plan are illustrative only. The Conceptual Guide Plan is intended to be an overall approved development envelope, with certain right-of-way improvements and public benefits to be delivered with respective project phases. The Conceptual Guide Plan is not intended to require specific uses, square footages, building massing, building design, or specific buildings on specific parcels. *Exhibit E(1), Attachment E, Exhibit D; Exhibit E(1), Attachment E, Exhibit O.*
23. To provide additional assurances to the City relative to the quality of design and inclusion of certain City desired elements, MGP prepared the *Shoreline Place Supplemental Site Design Guidelines* (SSDG). The SSDG articulates basic design elements that must be incorporated as well a menu of optional elements in public spaces and property frontages. These elements include such things as benches, water features, dining areas, lighting, play areas, pedestrian oriented design, wider walkways, and wayfinding signage. The SSDG also speaks to the design and sizing of freestanding retail and restaurant buildings. The proposed Development Agreement requires that each phase of the project must comply with applicable guidelines. *Exhibit E(1), Attachment E, Exhibit F.*
24. To the north of the proposal, across N 160th Street, a portion of land is zoned R-6. SMC 20.30.355(C)(5) states that transitions should be provided so as to minimize conflicts. MGP's proposed design will have its buildings setback approximately 60 feet from the southern edge of N 160th Street, providing approximately 120 feet between the building wall and the residential property line. *Exhibit G.*
25. MGP's *Open Space System Plan* provides for at least 3.14 acres of publicly accessible park-like spaces, well in excess of what the SMC would require for the development. These spaces are comprised of plazas suitable for outdoor gatherings, dining, events; promenades and open spaces for active play; and a pedestrian shared street providing both active and passive recreation. The pedestrian shared street (or Woonerf) has the potential to be utilized for community events, such as the Shoreline Farmers Market. *Exhibit E(1), Attachment E, Exhibit E; Exhibit C(1), Attachments C-E; Testimony of Foster: Exhibit C(2).*

26. MGP's *Publicly Accessible Outdoor Space Improvement Operations & Maintenance Plan* states that these public spaces will be open to the public without charge for between 10-12 hours per day depending on the time of year. In addition, this Plan states that MGP shall be responsible for maintenance of these public spaces. *Exhibit E(1), Attachment E, Exhibit I.*
27. The City's Parks Director, Eric Friedli, reviewed MGP's proposal to determine whether the spaces are acceptable for incorporation into the City's park system. The City's Parks Board also commented on the proposal. The Director Friedli determined that two (2) plazas, one (1) community open space, and the Woonerf as shown in Section 9 of the proposed Development Agreement were acceptable. *Exhibit E(1), Attachment E; Exhibit E(1), Attachment G; Testimony of Friedli: Exhibit C(2), Exhibit D(2).*
28. The proposed Development Agreement provides that MGP may receive credit against Park Impact Fees for certain public spaces upon amendment of the City's impact fee provision and CIP provisions. Credits will be calculated and applied at the time of building permit application. At the time of the July 11 Public Hearing, the potential anticipated credit was established to be \$1,436,403. *Exhibit E(1), Attachment E, Exhibit M; Testimony of Friedli: Exhibit C(2), Exhibit D(2);*
29. The Sears Property, and Shoreline Place as a whole, is primarily an impervious parking lot surface. The *Conceptual Guide Plan* sets forth a Landscape Architecture Plan that will provide vegetation corridors throughout the Sears Property. Design includes trees, shrubs, and lawn areas amongst the buildings and plazas. *Exhibit E(1), Attachment E, Exhibit D, Pages 93-98.*
30. MGP prepared a *Shoreline Place – Transportation Consistency/Traffic Impact Analysis Expanded Study* for the City's review. The City Traffic Engineer reviewed this study and determined that, as mitigated pursuant to the proposed Development Agreement, the City's Level of Service will be maintained. *Exhibit E(1), Attachment F, Exhibit A; Testimony of Dedinsky: Exhibit C(2), Exhibit D(2), Exhibit E(2); Testimony of Juhnke: July 11.*
31. The proposed Development Agreement, at Section 7, Off-Site Transportation Improvements, and Section 8, On-Site Motorized and Non-Motorized Circulation, delineate required improvements. In addition, Section 18 Impact Fees, requires collection of Transportation Impact Fees at the time of building permit application. *Exhibit E(1), Attachment E.*
32. MGP proposes to provide improved internal circulation, a new entry drive at N 160th Street, and entry modifications at N 160th and N 157th Streets and at N 155th Street and Westminster Way to maximize flow and efficiency. Rights-of-way frontage improvements on N 160th Street and Westminster Way are also provided. Westminster Way is a capital project for the City and, therefore, MGP is contributing a portion to the improvements. *Exhibit E(1), Attachment E, Exhibit G and Exhibit H; Testimony of Juhnke: Exhibit D(2); Testimony of Moss: Exhibit C(2).*

33. Parking for residents will be in underground or at-grade parking garages. Commercial/retail parking will generally be at surface level. Even with the requested modification, MGP will be providing substantially more parking than is required by the SMC. *Exhibit D(2); Exhibit G; MGP Testimony – July 11.*
34. The proposed Development Agreement, at Section 17, provides for a vesting period of 20-years, commencing on January 4, 2019, the date of complete development agreement application. MGP is vested to a variety of SMC provisions *except* MGP is not vested to impact fees (subject to Section 18 of the proposed Development Agreement), plan review fees, inspection fees, connection charges, building code changes, and stormwater requirements. *Exhibit E(1), Attachment E; Exhibit E(1), Attachment E, Exhibit L.*
35. Shoreline Place is currently primarily an impervious site with substandard surface water controls. MGP is not vested to stormwater regulations. Redevelopment will require that all stormwater facilities meet current regulations in effect at the time of development permit application to ensure compliance with the City's NPDES Municipal Stormwater Permit. MGP shall have the option to utilize future technologies. *Exhibit E(1), Attachment E, Sections 17(A) and 22.*
36. The Conceptual Plan denotes the use of environmentally-sustainable practices. Section 28 of the Development Agreement reflects this by stating MGP shall incorporate LEED Neighborhood Development Credit categories into its project design. *Exhibit E(1), Attachment E; Exhibit E(1), Attachment E, Exhibit D.*
37. Pursuant to SMC 20.30.355(A), MGP has sought modifications to certain land use regulations. Section 12 of the proposed Development Agreement provides for these modifications which include an increase in base height by 10 feet; primary building entrance location; greater separation of internal site walkways from parking areas and delineation of walkways; building articulation feature separation from every 35 feet to every 80 feet; and parking space dimension. City Staff has reviewed these modifications and has not objected. Staff has also stated that it routinely grants such modifications through a design review deviation process. *Exhibit E(1) at 5-9; Exhibit E(1), Attachment E, Exhibit J; City Staff Testimony: Exhibit A(2), Exhibit B(2), Exhibit C(2), Exhibit D(2); July 11 Public Hearing.*
38. MGP has sought or will be seeking deviations from certain engineering standards. The deviations related to pedestrian and bicycle facilities and ingress/egress locations, capacity, or layout. Section 4(B) and Section 7(E) of the proposed Development Agreement delineate these deviations. *Exhibit E(1), Attachment E.*
39. MGP shall be responsible for providing sufficient utilities, including water, sewer, and surface water control. The Environmental Impact Statement prepared for the CRA Planned Action indicated that Seattle Public Utilities has capacity for the anticipated growth. The Ronald Wastewater District also has capacity and can connect to its

system subject to approval of a Developer Extension Agreement. *Exhibit E(1), Attachment E* at Sections 22-24.

40. While there are no critical areas or shorelines within the Sears Property, a piped section of Boeing Creek is within N. 160th Street north of the Sears Property. SMC 20.80.280(1) requires a 10-foot buffer for piped streams. Right-of-way improvement activity will occur within this buffer. SMC 20.80.274(C)(4) permits such work. *Exhibit E(1), Attachment F*.
41. A development agreement should ensure that a proper balance of the public benefit and private interests are represented in the development agreement. The proposed Development Agreement provides numerous public benefits for the City. These benefits are delineated in an attachment to the proposed Development Agreement. *Exhibit E(1), Attachment E, Exhibit C*.
42. On July 11, 2019, the Planning Commission held a properly noticed public hearing so as to allow for presentations by City Staff and MGP, public testimony, and Planning Commissioners' questions on the proposed Development Agreement. The Public Hearing was facilitated by the City Hearing Examiner.
43. After the public hearing was closed, the Planning Commission deliberated on the proposed Development Agreement and formulated its recommendation for City Council. The Planning Commission requested draft findings and conclusions and considered those findings and conclusion at its July 18, 2019 meeting. At the July 18 meeting, the Planning Commission adopted findings, conclusions, and its formal recommendation for presentation to the City Council.

B. DECISION CRITERIA

- 1. The proposed Development Agreement sets forth the development standards and other provisions that shall apply to govern and vest the development, use, and mitigation of the development during its term as required SMC 20.30.355(B).**

The proposed Development Agreement attached hereto is comprised on 56 Sections with the following sections expressly related to future development:

- Section 2 Project Components – maximum number of dwelling units and commercial space footage, parking requirements, transportation and frontage improvements, internal circulation, open space, and utilities.
- Section 3 Development Approvals – maximum development levels.
- Section 4 Flexibility – modifications to conceptual design and plan.
- Section 5 Phasing – a six (6) block phasing with improvements aligned with each block phase.
- Section 6 Status Report – annual reports on project development.
- Section 7 Off-Site Transportation Improvements.

- Section 8 On-Site Motorized and Non-Motorized Circulation.
- Section 9 Open Space System/City Parks – private open space and public spaces comprised of plazas, promenades, and shared street. Includes future maintenance, impact fee credits, and off-site park monetary mitigation.
- Section 10 Utilities – water, sewer, and electrical infrastructure improvements.
- Section 13 Process – streamline application review.
- Section 14 Short Subdivision/Binding Site Plan – lot creation based on phases.
- Section 17 Vesting – a 20-year period for identified code provisions.
- Section 18 Impact Fees – Transportation, Parks, and Fire.
- Section 22 Stormwater Detention and Treatment – to standards at time of building permit application.
- Section 25 SEPA Compliance – Planned Action consistency and mitigation.
- Section 28 Sustainability – energy efficient and environmentally sustainable design, including LEED Neighborhood Development Credit categories.
- Section 33 Amendment of Agreement – minor and major amendments to terms.

2. For the City to grant approval of a development agreement, all six (6) decision criteria listed in SMC 20.30.355(C) must be demonstrated by MGP. Both MGP and the City have provided an analysis of these criteria in Exhibit E(1), Attachment E, Exhibit F.

These criteria are:

- a. The proposed development agreement is consistent with goals and policies of the Comprehensive Plan. If the project is located within a subarea plan, then the project shall be consistent with the goals and policies of the subarea plan.*

Exhibit F sets forth numerous Comprehensive Plan goals and policies from the Land Use Element, Community Design Element, Housing Element, Transportation Element, Economic Development Element, Parks, Recreation & Open Space Element, and Natural Environment Element which strongly support the proposed Development Agreement. These goals and policies support quality development, functionality, walkability, high density, business-friendly environment, mixed development with more pedestrian/public spaces and activities, and economic growth. The Planning Commission concurs with City Staff in that the goals and policies identified by MGP are implemented and promoted by the proposed Development Agreement as well as the additional Framework and Economic Development goals denoted by City Staff.

While not in a designated subarea, the CRA functions much like a subarea plan. Thus, in addition to the criteria in SMC 20.30.355(C), the Planning Commission considered the vision, goals, and policies provided for in the Aurora Square Planned

Action Ordinance and the Aurora Square Community Renewal Plan. Of course, it is impossible for any single proposal to satisfy all of the CRA Plan goals, however, the proposed Development Agreement does provide for needed infrastructure improvements, incentivizes further redevelopment, and creates a pedestrian-oriented, mixed-use environment benefiting the community as a whole, all as envisioned in the CRA Plan. The CRA Planned Action Ordinance further advances the CRA Plan by acting as a catalyst to renew and revitalize Shoreline Place into a compact, mixed-use, pedestrian friendly, and multimodal and transit-supportive land use. Recital 7 of the proposed Development Agreement summarizes the City's CRA goals that would be implemented. These include, but are not limited to:

- Revitalize the CRA and facility growth of the City's employment and tax base.
- Provide needed housing adjacent to goods, services, and transit.
- Provide a venue for the Shoreline Farmers' Market and entertainment options.
- Foster access and viability for existing retailers.
- Support public spaces for gathering, connections, and entertainment.
- Develop an identifiable, mixed-use, pedestrian friendly, and transit supportive neighborhood.
- Improve multi-modal transportation and utility infrastructure.
- Promote connectivity within and adjacent to Shoreline Place.

The Planning Commission finds this criterion has been satisfied.

Findings of Fact Nos. 3, 4, 5, 12, 13, 14, 15, and 16.

b. The development standards set forth in the proposed development agreement speak to the use of innovative, aesthetic, energy-efficient and environmentally sustainable architecture and site design.

As MGP stated in its response to this criterion, Shoreline Place is a mid-century auto-centric retail development that will be brought up-to-date with the application of new regulations. The Planning Commission concurs that the replacement of the Sears building and hardscape with structures that meet current building, energy, and environmental regulations (such as stormwater) will satisfy this criterion.

The redevelopment of an obsolete shopping center with a mixed-use "town center" provides an innovative way to initiate positive changes in the surrounding community. Residents of the proposed project, along with residents of Shoreline as a whole, will find a variety of shopping and activities in close proximity to Aurora Avenue. MGP has provided aesthetic design elements (circulation, connectivity, open space) far in excess of City design standards. The *Conceptual Guide Plan* details these aesthetic elements and the *Supplemental Site Design*

Guidelines provide the City with a level assurance that these elements will be incorporated into the development.

The replacement of the Sears building will result in the construction of more energy efficient buildings consistent with State Building and Energy Codes at the time of construction as these codes are not vested. While not proposing the highest possible level of environmental sustainability, MGP has agreed to incorporate LEED Neighborhood Development Credit categories into the design. These categories include quality transit and bicycle facilities, walkable streets, compact, mixed-use development, connectivity to parks and outdoor space, stormwater management, heat island reduction, and light pollution reduction.

The transformation of the area from an impervious parking lot to a mixed-use development with open spaces will provide significant improvement for stormwater management based on current and future regulations, resulting in better water quality for the Boeing Creek Basin.

The Planning Commission finds this criterion has been satisfied.

Findings of Fact Nos. 2, 15, 22, 23, 25, 29, 35, and 36.

- c. There is either sufficient capacity and infrastructure (e.g., roads, sidewalks, bike lanes) that meet the City's adopted level of service standards (as confirmed by the performance of a transportation impact analysis) in the transportation system (motorized and nonmotorized) to safely support the development proposed in all future phases or there will be adequate capacity and infrastructure by the time each phase of development is completed.***

A thorough transportation analysis was provided to the City; the City Traffic Engineer found the analysis acceptable. The proposed Development Agreement denotes the improvements and connectivity to the transportation system consistent with the CRA Planned Action, including bicycle facilities, areas failing the City's Level of Service, and frontage improvements. It is notable that the analysis denotes a total maximum net new peak hour trips generated at full building out will only be 99, well under the Planned Action threshold of 808 trips.

In those categories where capacity and infrastructure must be increased to support the proposed development agreement, MGP has committed to building improvements or to funding their proportionate share of the improvements. In addition, transportation impact fees will be required at the time of application submittal. These fees are not vested; they will be based on the rates in effect at the time of submittal.

Lastly, the proposed Development Agreement includes a plan for how and when by phase the necessary circulation and infrastructure improvements will be provided.

The Planning Commission finds this criterion has been satisfied.

Findings of Fact Nos. 7, 13, 22, 30, 31, 32, 33, and 38.

- d. There is either sufficient capacity within public services such as water, sewer and stormwater to adequately serve the development proposal in all future phases, or there will be adequate capacity available by the time each phase of development is completed. If capacity must be increased to support the proposed development agreement, then the applicant must identify a plan for funding their proportionate share of the improvements.***

The Planned Action analyzed growth consistent with the growth in the proposed Development Agreement. The Sears Property is provided water by Seattle Public Utilities which indicated that its current water system had the capacity. Sanitary Sewer to the Sears Property is provided by the Ronald Wastewater District which has sufficient capacity to provide service. Certificates of water and sewer availability will be required at the time of building permit application submittal.

MGP will be required to construct new stormwater controls, including on-site detention, to current standards or to those standards in effect at the time of permit application, whichever is applicable. The City's existing downstream conveyance has the capacity for current site conditions. Retrofitting of an outdated system will result in lower stormwater off-site discharge, resulting in a lessening of impact to the conveyance system.

MGP will be required to upgrade on-site utilities for connection to main water, sewer, and stormwater lines. Development extension agreements may be required for such connections depending upon the regulating entity. Thus, while current analysis does not denote whether capacity and infrastructure must be increased to support the proposed development agreement, MGP has committed to building improvements or to funding their proportionate share of the improvements.

The Planning Commission finds this criterion has been satisfied.

Findings of Fact Nos. 5, 35, and 39.

- e. The development agreement proposal contains architectural design (including but not limited to building setbacks, insets, facade breaks, roofline variations) and site design standards, landscaping, provisions for open space and/or recreation areas, retention of significant trees, parking/traffic management and multimodal transportation improvements and other features that minimize conflicts and create***

transitions between the proposal site and property zoned R-4, R-6, R-8 or MUR-35'.

The Conceptual Plan and Supplemental Site Design Guidelines provide architectural design and site design standards that are envisioned for the development. The design will satisfy or exceed the City's commercial design standards unless a modification has been granted, such as the façade transition, via the proposed Development Agreement. The transition between the site and the R-6 property across N 160th Street will be separated by the width of the roadway. The provision of public (open) spaces is in excess of that required by the City's standards and will be available for public accessibility.

The Planning Commission finds this criterion has been satisfied.

Findings of Fact Nos. 7, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, and 33.

- f. The project is consistent with the standards of the critical areas regulations, Chapter 20.80 SMC, Critical Areas, or Shoreline Master Program, SMC Title 20, Division II, and applicable permits/approvals are obtained.***

There are no critical areas located within the Sears Property. A piped section of Boeing Creek is within N 160th Street, requiring a 10-foot buffer. Work within this buffer is permitted subject to the City's Critical Areas Regulations, chapter 20.80 SMC.

The Sears Property is not located within the shoreline jurisdiction so as to be subject to SMC Title 20 Division II.

The Planning Commission finds this criterion has been satisfied in regard to chapter 20.80 SMC. SMC Title 20, Division II is not applicable.

Findings of Fact No. 40.

3. The proposed Development Agreement provides numerous public benefits for the City.

Exhibit E(1), Attachment E, Exhibit C Public Benefit Matrix details 24 benefits that the City would receive through the redevelopment of the Sears Property via the proposed Development Agreement. These benefits are:

- a. Fulfills the Community Renewal Area Vision of 21st century renewal of creating a "one-stop" convenient shopping and living solution.
- b. Provides a series of publicly – accessible open spaces spread throughout the Project varying from green lawns for summer day picnics, outdoor movies and concerts in the park areas, to intimate plazas and paseos adjacent to

- lively restaurants and retail shops, well-appointed with comfortable seating areas and creative landscape and hardscape elements.
- c. Provides a permanent home to the Shoreline Farmers Market.
 - d. Unlocks buildable land.
 - e. Provides the opportunity for entertainment and dining options.
 - f. Provides the opportunity for goods and services options.
 - g. Fulfills the City's goal of rebranding Aurora Square, reflecting the renewed energy and direction of the Center.
 - h. Activates the Center at all times of the day, every day of the week.
 - i. Revitalizes a blighted 1960s – era building.
 - j. Provides a paradigm for future redevelopment of the remainder of the CRA.
 - k. Provides tax revenue.
 - l. Provides housing choices.
 - m. Provides a mixture of residential and commercial uses, reducing the need for daily – needs vehicle trips and creating opportunities for living and working in close proximity, reducing vehicle miles traveled.
 - n. Provides multi-modal connectivity externally to Westminster Way N., 160th Street, Shoreline Community College, the Interurban Trail, and transit and internally within and between the upper and lower levels of the Center.
 - o. Creates a walkable community.
 - p. Encourages healthy forms of transportation.
 - q. Upgrades internal and external infrastructure (water, sanitary sewer, and stormwater).
 - r. Redevelopment of the site and implementation of water quality and stormwater management measures results in improved stormwater quality for the City and Region.
 - s. Leverages the City's investments in the redesign of Westminster Way N. and completes the Westminster Way N. and Westminster Way N./N. 155th Street intersection improvements.
 - t. Re-channelizes N. 160th Street to provide 3 travel lanes and bike lanes on both sides of the street.
 - u. Provides a mid – block pedestrian crossing on N. 160th Street.
 - v. Creates 3.14-3.47 acres of publicly accessible park like open space.
 - w. Includes \$100,000 for maintenance of trails at Boeing Creek and Shoreview Park.

The Planning Commission finds the public interest is benefited.

Findings of Fact Nos. 3, 4, 5, 715, 22, 23, 24, 25, 26, 29, 30, 31, 32, 33, 35, 36, 39, and 41.

C. Recommendation

The Planning Commission recommends that the City Council approve the proposed Shoreline Place Development Agreement, including attachments, presented at the July 11, 2019 Public Hearing and attached hereto as Exhibit A.

D. Record before the Planning Commission

The Index of the Record for PLN18-0206 is attached hereto as Exhibit B.