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## Ground Floor Commercial Planning Commission Discussion August 6, 2020



## Presentation Agenda

- Background
- Commission Comments and Questions
- Proposed Code
- Policy Direction
- Next Steps

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PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Background

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- Comprehensive Plan Request.
- Council Directed Staff to Draft Development Code Addressing Ground-Floor Commercial in the Ridgecrest and North City Neighborhoods.
- Planning Commission study session June 18, 2020.



PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Commission Comments and Questions

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- Economic Development
  - Overview of economic development in Shoreline



PRESENTER: NATHAN DAUM, ECONOMIC DEVELOPMENT PROGRAM MANAGER

# Policies & Plans

1. 2012 Comprehensive Plan: Economic Development Element
2. 2018 Economic Development Strategic Plan
3. Annual Council Goals



PRESENTER: NATHAN DAUM, ECONOMIC DEVELOPMENT PROGRAM MANAGER



# Comprehensive Plan (2012)

## Economic Development Element

- Vibrant businesses, activities, and quality of life
- Grow retail & office (jobs/tax base)
- Partner with private sector, coordinate funding opportunities
- Attract investment via improvements & events
- Support existing & new businesses
- Encourage multi-story buildings



**Economic Development Element Goals & Policies**

**INTRODUCTION**

The intent of the Economic Development Element is to improve the quality of life by encouraging a greater number and variety of commercial businesses that provide services and create employment opportunities for Shoreline residents, as well as grow the tax base to take the burden of residential property tax.

The policies in this element address four aspects of creating a healthy economic climate for Shoreline: quality of life, sustainable investment, services and partnerships, and placemaking. The policies presented in this element will guide future City initiatives that, together with private sector actions, will produce a strong economy. The results will preserve and improve the quality of life that Shoreline's residents and workers currently enjoy.

The Economic Development Supporting Analysis section of this Plan contains background data and analysis, which describe the existing economic conditions of the city and provide the foundation for the following goals and policies.

**GOALS**

**Goal ED I:** Maintain and improve the quality of life in the community by:

- Increasing employment opportunities and the job base
- Supporting businesses that provide goods and services to local and regional populations
- Reducing reliance on residential property tax to fund city operations and capital improvements
- Providing quality public services
- Complementing community character and
- Maximizing opportunities along Bus Rapid Transit corridors and areas to be served by light rail.

**Goal ED II:** Promote retail and office activity to diversify sources of revenues, and expand the employment base.

**COMPREHENSIVE PLAN 36**

**Element 5 ECONOMIC DEVELOPMENT Goals and Policies**

appropriate, using county, state, and federal program funds, grants, loans, and revolving loan funds.

**ED2b:** Encourage businesses to plan for shared parking when redeveloping commercial areas in order to provide adequate (but not excessive) parking. Other considerations in design of mixed-use or multi-parking areas should include opportunities for interconnect shared spaces, number and placement of curb cuts, and transit accessibility.

**ED2c:** Support public/private partnerships to facilitate or fund infrastructure improvements that will result in increased economic opportunity.

**ED2d:** Provide incentives for land uses that enhance the city's vitality through a variety of regulatory and financial strategies.

**ED2e:** Encourage the redevelopment of key and/or underused parcels through incentives and public/private partnerships.

**ED2f:** Attract and promote clean, green industry within the city.

**ED2g:** Develop regulations for food carts, which allow for incubator businesses while respecting established local restaurants, including temporary use for events.

**Placemaking**

**ED2h:** Develop a vision and strategies for creating dense mixed-use nodes anchored by Aurora's retail centers, including how to complement, support, and connect them with mid-rise residential, office, and destination retail buildings.

**ED2i:** Practice the activities of placemaking:

- Create unique cachet, or distinctive character;
- Build infrastructure;
- Collaborate;
- Assist businesses that serve the community; and
- Honor legacies.

**ED2j:** Reinvent Aurora Square to help catalyze a master-planned, sustainable lifestyle destination.

**ED2k:** Unlock the Ferrocet excess property to create living-wage jobs while respecting and complementing its existing function as a facility for people with disabilities.

**ED2l:** Plan the Light Rail Station Areas to create connectivity for

**COMPREHENSIVE PLAN 38**

**Element 5 ECONOMIC DEVELOPMENT Goals and Policies**

**Placemaking** is a multi-faceted approach to the planning, design, and management of public spaces. Placemaking capitalizes on a local community's assets, imagination, and potential, ultimately creating great public spaces that improve people's health, happiness, and well-being. Placemaking is both a process and a philosophy.

**Goal ED III:** Facilitate private sector economic development through partnerships and coordinating funding opportunities.

**Goal ED IV:** Promote and sponsor improvements and events throughout Shoreline that attract investment.

**Goal ED V:** Grow revenue sources that support City programs, services, and infrastructure.

**Goal ED VI:** Support employers and new businesses that create more and better jobs.

**Goal ED VII:** Encourage multi-story buildings for efficient land use.

**Goal ED VIII:** Promote and support vibrant activities and businesses that grow the local economy.

**Goal ED IX:** Incorporate environmental quality and social equity into economic development as part of a triple bottom-line approach to sustainability.

**PLACES**

**Quality Of Life**

**EDc:** Improve economic vitality by:

- Promoting existing businesses;
- Recruiting new businesses;
- Assisting businesses to create strategies and action plans through the Small Business Accelerator Program;
- Encouraging increased housing density around commercial districts, especially those served by high capacity rapid transit, to expand customer base; and
- Developing design guidelines to enhance commercial areas with pedestrian amenities, and "protect and connect" adjacent residential areas.

**EDd:** Promote non-motorized connections between commercial businesses, services, and residential neighborhoods.

**EDe:** Encourage and support home-based businesses in the city, provided that signage, parking, storage, and noise levels are compatible with neighborhoods.

**EDf:** Use incentives and development flexibility to encourage quality development.

**EDg:** Attract a diverse population, including artists and innovators. Attract families with young children to support schools. Identify other targeted populations that contribute to a vibrant, multi-generational

**COMPREHENSIVE PLAN 38**

**appropriate growth.**

**EDg:** Foster on-going placemaking projects.

- Revitalize development areas in:
  - o Town Center
  - o Echo Lake
  - o Richmond Beach
  - o Ridgecrest/Bitarcrest
  - o Ballinger
- Attract mid-sized businesses;
- Support farmers market;
- Expand events and festivals;
- Surplus institutional property; and
- Support educational institutions.

**COMPREHENSIVE PLAN 38**

**Element 5 ECONOMIC DEVELOPMENT Goals and Policies**

community.

**EDg:** Work to reinvigorate economically floundering areas in Shoreline by establishing Community Renewal Areas with associated renewal plans.

**EDh:** Enhance existing neighborhood shopping and community nodes to support increased commercial activity, neighborhood identity, and walkability.

**EDi:** Explore whether creating an "Aurora Neighborhood" as a fifth neighborhood in Shoreline would allow the City to better serve citizens, and to capitalize on its infrastructure investment.

**EDj:** Promote land use and urban design that allows for smart growth and dense nodes of transit supportive commercial activity to promote a self-sustaining local economy.

**EDk:** Coordinate with local community and technical colleges, and other institutions of higher learning, including the University of Washington, to train a workforce that is prepared for emerging jobs markets.

**EDl:** Diversify and expand the city's job base, with a focus on attracting living-wage jobs, to allow people to work and shop in the community.

**EDm:** Revitalize commercial business districts, and encourage high-density mixed-use in these areas.

**EDn:** Support and retain small businesses, and create an environment where new businesses can flourish.

**EDo:** Encourage a mix of businesses that complement each other, and provide variety to the community to create activity and economic momentum.

**EDp:** Direct capital improvements to key areas to promote the city's image, create a sense of place, and grow and attract businesses.

**EDq:** Actively work with other jurisdictions, educational institutions, agencies, economic development organizations, and local business associations to stimulate business retention, and implement interlocal and regional strategies.

**EDr:** Provide fast, predictable, and customer service-oriented permitting processes for commercial improvements, expansions, and developments.

**EDs:** Use and/or conduct market research as needed to guide the City's economic development strategies and to assist businesses.

**EDt:** Coordinate and initiate financial assistance for businesses, when

**COMPREHENSIVE PLAN 37**

In the context of planning and economic development, nodes are often characterized as clusters of areas that have compact, mixed-use development, access to transit and major amenities, and high-quality urban design.

Living Wage is a level of income that allows the worker to afford adequate shelter, food, and other necessities for a satisfactory standard of living. Other minimum wages are insufficient to provide for the standard, given local cost of living.

**COMPREHENSIVE PLAN 37**

While Shoreline is home to many retail establishments, residents often leave the city to shop. Retail "leakage" refers to a deficit in sales made in the city compared with the amount of spending on retail goods by Shoreline residents.

Retail Sector	% of Resident Dollars Spent Elsewhere
Health and Personal Care Items	45%
Clothing and Clothing Accessories Items	95%
General Merchandise Stores	70%
Furniture and Dining Places	37%

**COMPREHENSIVE PLAN 37**

# Economic Development Strategic Plan

**Strengthen Shoreline's Signature Boulevard** – leveraging the city's \$140 million Aurora Corridor Project

**Catalyze Shoreline Place** – encouraging intensive private redevelopment of the former Sears

**Unlock the Fircrest Surplus Property** – establishing new jobs and economic opportunities

**Ignite Station Area Growth** – parlaying the public investment that will bring light rail service to Shoreline

(And more)



## 2018-2023 Economic Development Strategic Plan

The City of Shoreline's economic development strategy is based on Placemaking Projects. Fred Kent calls Placemaking the thing that "turns a City from a place you can't wait to get through into one you never want to leave." Organizing economic development efforts into Placemaking Projects provides the flexibility needed to tailor efforts to achieve both the goals articulated in Vision 2029 and the annually updated Council Goals and Workplans.

Four specific areas possess the potential to dramatically strengthen the economic vitality of Shoreline. These four City-Shaping Areas shall be the focus of concerted Placemaking Projects designed to trigger large-scale redevelopment and growth.

- **Strengthen Shoreline's Signature Boulevard** – leveraging the city's \$140 million Aurora Corridor Project by facilitating constant investment along its six miles of improved frontage
- **Catalyze Shoreline Place** – encouraging intensive private redevelopment of the former Sears center into an exemplary lifestyle destination
- **Unlock the Fircrest Surplus Property** – establishing new uses and industries that create hundreds of new Shoreline-based jobs and economic opportunities
- **Ignite Station Area Growth** – parlaying the extraordinary public investment that will bring light rail service to Shoreline's two rezoned station areas

Additional commercial nodes can influence the economic vitality of the surrounding neighborhoods. Placemaking Projects in these Neighborhood Commercial Centers shall seek to create identity, encourage walkability, expand housing options, and provide needed goods and services.

- Shoreline Town Center
- Echo Lake at Aurora & N 192nd
- North City Business District
- Four Corners at NW Richmond Beach Rd
- Downtown Ridgecrest
- Ballinger Commercial Center

Non-geographic Placemaking Projects enrich the overall economic climate of the city and make Shoreline an even more attractive place to live, to invest, and to conduct business.

- Growing a Media Production Industry
- Promoting Shoreline to Investors
- Serving Home-based Businesses
- Increasing Inventory of Business Spaces
- Expanding Events & Festivals
- Supporting the Community College
- Attracting Artists & Trendsetters
- Continually Improving Code & Policies
- Facilitating Collaboration With & Between Businesses

Both inputs and outcomes shall be tracked to Monitor the Effectiveness of Shoreline's economic development efforts. Inputs shall be tracked through regular Placemaking Project updates; outputs shall be tracked through annual updates of economic metrics such as assessed values, sales tax generation, vacancy and rental rates, Shoreline-based jobs, and new market-rate and affordable housing units.

# Economic Development Strategic Plan

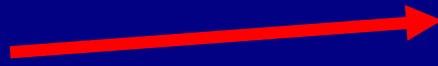
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# Council Goals

## Goal 1: **Strengthen Shoreline's economic climate and opportunities**

Robust private investment and economic opportunities help achieve Council Goals by enhancing the local economy, providing jobs and housing choices, and supporting the public services and lifestyle amenities that the community desires and expects.



### ACTION STEPS:

1. 185th and 145th Station Areas:
  1. Development update & policy review
2. Shoreline Place CRA:
  1. 155th/Westminster intersection improvements
  2. Sign code update
  3. Phase 1 and 2 permits
3. Development review/permitting best practices
4. Business retention & expansion:
  1. Build relationships
  2. Identify regulatory challenges
  3. Encourage expansion
5. Support new businesses
6. Formalize affordable housing program
7. Develop Housing Action Plan
8. Participate in Fircrest Campus Master Plan process, advocate for City's vision
9. Develop ground-floor commercial requirements and/or incentives

# Council Goals

## Goal 1: Strengthen Shoreline's economic climate and opportunities

Robust private investment and economic opportunities help achieve Council Goals by enhancing the local economy, providing jobs and housing choices, and supporting the public services and lifestyle amenities that the community desires and expects.



PROGRESS INDICATORS:	2015	2016	2017	2018	2019
a. Annual growth of assessed property value from new construction	0.73%	0.79%	0.57%	1.09%	1.36%
a. Percent of assessed property value that is commercial (business)	17.50%	16.22%	15.49%	17.00%	13.68%
a. Retail sales tax per capita	\$143.66	\$151.69	\$151.69	\$173.67	\$161.99
a. Number of licensed businesses	5,166	5,285	5,351	5,443	5,673
a. Number of housing units	23,581	23,650	23,838	24,250	24,517
a. Vacancy and rental rates of commercial and multi-family properties <sup>1</sup>	Retail: 5.0% \$19.20/sf Office: 4.0% \$24.00/sf Residential: 3.0%; \$1.45/sf (all), \$2.00/sf (new)	Retail: 4.5% \$19.92/sf Office: 1.9% \$22.33/sf Residential: 2.0%; \$1.5/sf (all), \$2.10/sf (new)	Retail: 4.5% \$20.50/sf Office: 2.0% \$24.00/sf Residential: 2.5%; \$1.70/sf (all), \$2.25/sf (new)	Retail: 1.1% \$23.87/sf Office: 2.5% \$25.42/sf Residential: 7.0%; \$1.80/sf (all), \$2.05/sf (new)	Retail: 14.5% \$27.98/sf Office: 2.1% \$26.71/sf Residential: 5.2%; \$1.99/sf (all), 7.9% \$2.16/sf (new)

# Commission Comments and Questions

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- Economic Development
  - Barriers to addressing vacancies
  - Incentivizing smaller commercial spaces
  - Supporting affordability of commercial spaces



PRESENTER: NATHAN DAUM, ECONOMIC DEVELOPMENT PROGRAM MANAGER

# Commission Comments and Questions

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- Economic Development: Barriers to addressing vacancies in existing buildings
  - Life safety
  - ADA
  - Parking
  - Drive up/drive through
- COVID-19 & “new normal” beyond)



PRESENTER: NATHAN DAUM, ECONOMIC DEVELOPMENT PROGRAM MANAGER



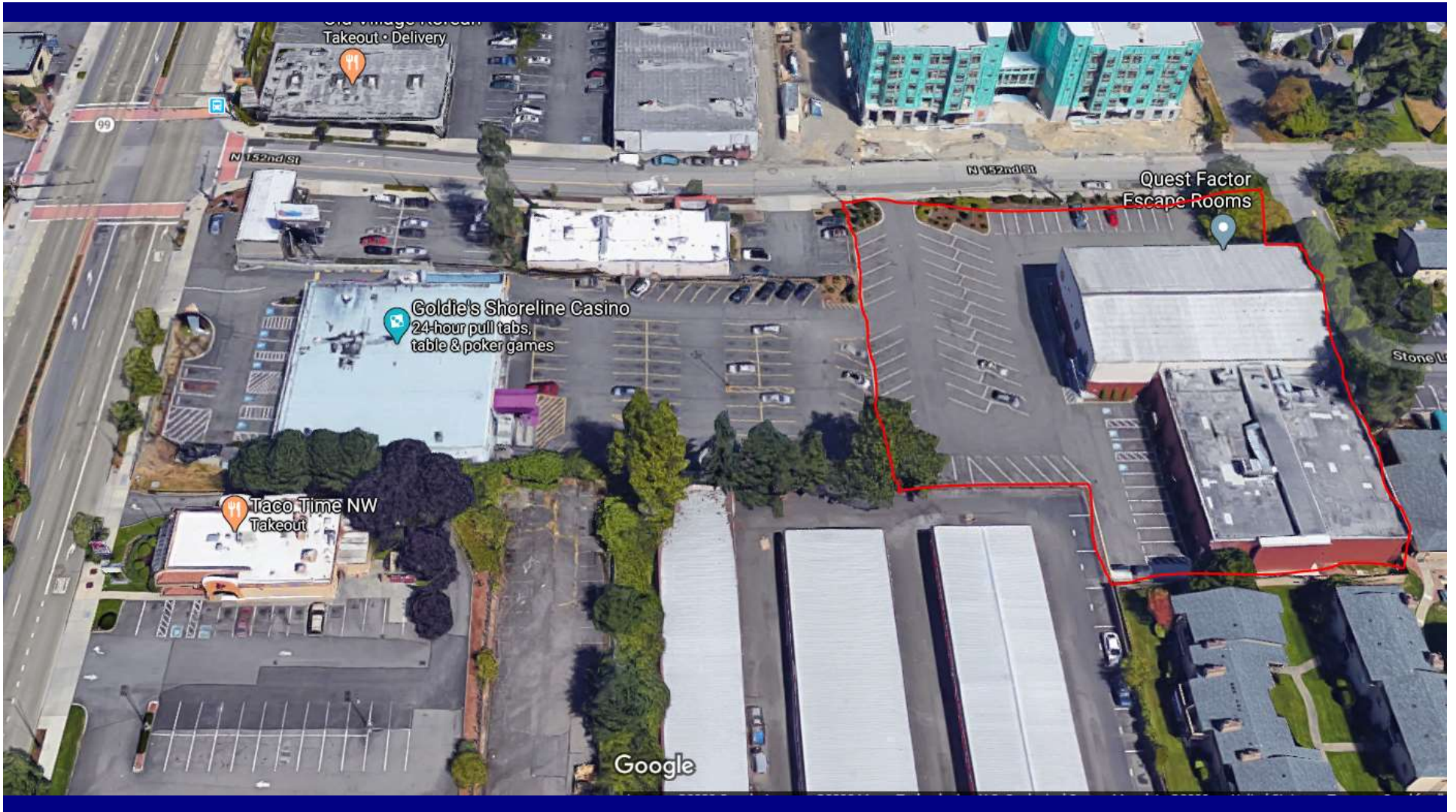
# Commission Comments and Questions

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- Economic Development
  - Incentivizing smaller commercial spaces



PRESENTER: NATHAN DAUM, ECONOMIC DEVELOPMENT PROGRAM MANAGER



# Commission Comments and Questions

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- Economic Development
  - Incentives looked at by staff:
    - Parking
    - Permit Fees
    - Priority Permitting
    - Height
    - Hardscape



PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

# Commission Comments and Questions

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- Economic Development
  - Hardship clause



PRESENTER: STEVE SZAFRAN, SENIOR PLANNER



# Commission Comments and Questions

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## Economic Development

- How does the light rail stations affect commercial activity



PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

# Commission Comments and Questions

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- Economic Development
  - Link Light Rail projected ridership
    - By 2035 increase of 53% over 2014 ridership
    - 6,235 daily trips to Shoreline stations

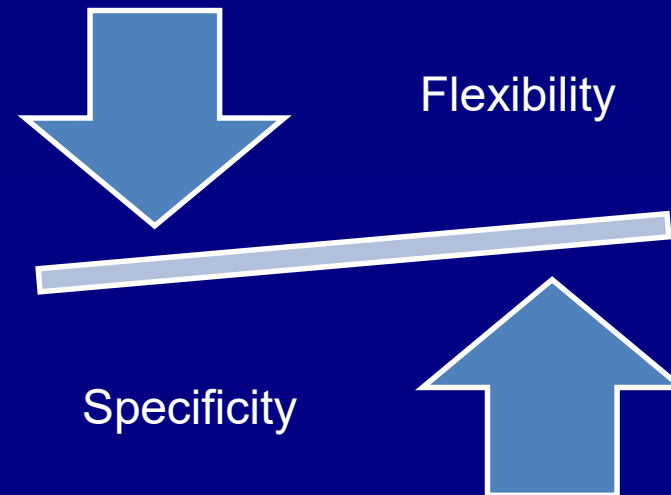


PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Commission Comments and Questions

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- Uses
  - Flexibility vs specificity



PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Commission Comments and Questions - Uses

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PRESENTER: STEVE SZAFRAN, SENIOR PLANNER



# Commission Comments and Questions - Queueing

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PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

# Commission Comments and Questions - Loading

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PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

# Commission Comments and Questions

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- Development Regulations
  - ADA bathrooms
  - Grease trap vs grease interceptor



PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Commission Comments and Questions

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- Development Regulations
  - Ceiling height
    - Varies in other codes, range from 10 feet to 15 feet
  - Depth of commercial space
    - Varies in other codes, range from 20 feet to 50 feet



PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Commission Comments and Questions

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- Incentives
  - Uses similar to “restaurant ready” but would not meet exact definition
    - All commercial uses will need ADA bathrooms and central drain line
    - Many will need commercial hood and grease interceptor

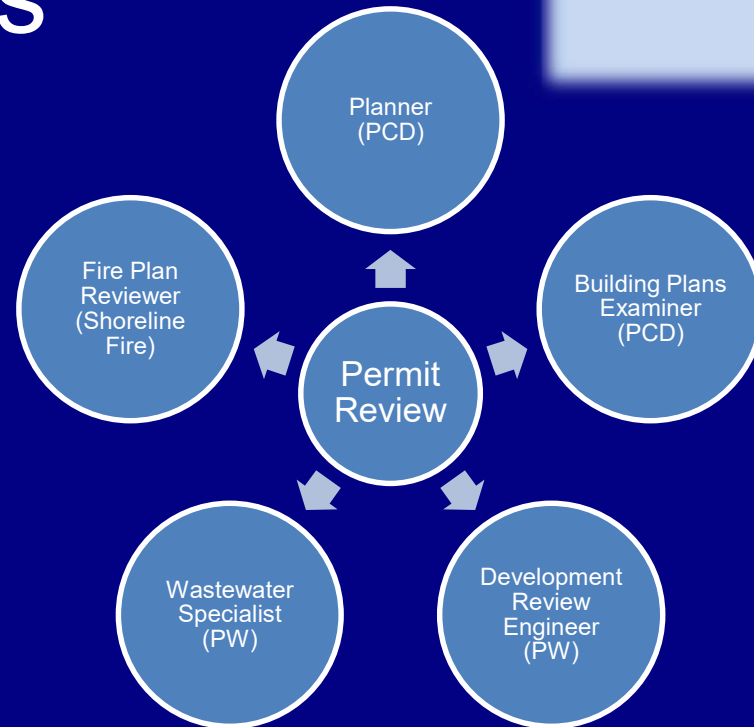


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# Commission Comments and Questions

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- Incentives
  - Priority permitting



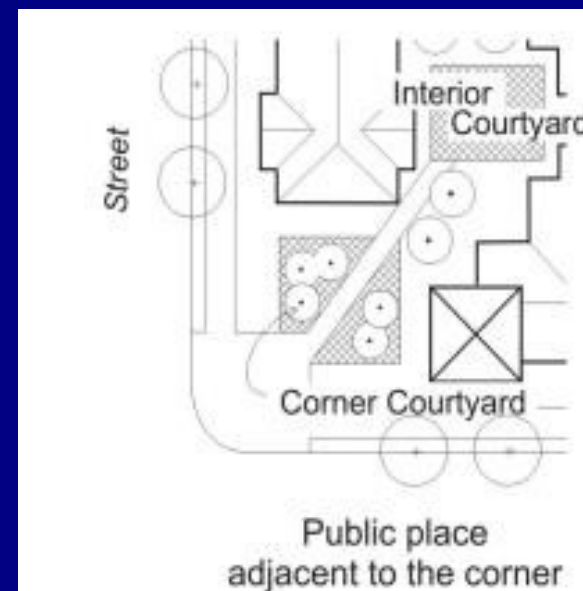
PRESENTER: CATE LEE, ASSOCIATE PLANNER



# Commission Comments and Questions

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- Incentives
  - Increased hardscape



PRESENTER: CATE LEE, ASSOCIATE PLANNER

# Commission Comments and Questions

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## Deep Green Incentive Program and Ground-Floor Commercial Incentives



PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

# Commission Comments and Questions – Streetscape and Walkability

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CITY OF  
**SHORELINE**

PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

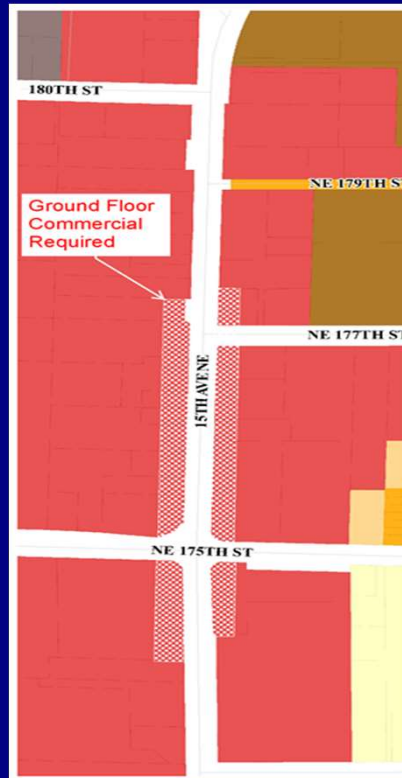
# Draft Code – Changes Since Last Meeting

20.40.465  
Indexed Criteria

NEW MAP



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OLD MAP



PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

## Draft Code – Changes Since Last Meeting 20.40.465 Indexed Criteria

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1. Constructed to accommodate a restaurant means space that includes:
  - a. ADA compliant bathrooms (common facilities are acceptable);
  - b. A central plumbing drain line;
  - c. A grease **interceptor**; and
  - d. A ventilation shaft for a commercial kitchen hood/exhaust.



PRESENTER: STEVE SZAFRAN, SENIOR PLANNER

# Draft Code – Changes Since Last Meeting

## 20.50.250(C)

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### C. Ground Floor Commercial.

1. New buildings subject to SMC 20.40.465 shall comply with these provisions.
2. These standards are not eligible for design departures.
3. These requirements apply to the portion of the building's ground floor abutting a public right-of-way (ROW).
4. A minimum of **75** percent of the lineal frontage shall consist of commercial space. **Up to 25 percent of the lineal frontage** may consist of facilities associated with the multifamily use, such as lobbies, leasing offices, fitness centers and community rooms.



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# Policy Decisions

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1. Minimum height.
2. Minimum depth.
3. Restaurant ready and similar uses.
4. Uses to exclude?
5. Other outstanding items?



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# Next Steps

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Staff will return in September for a Public Hearing.

Planning Commission will make a recommendation to City Council at this Hearing.



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