

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION MINUTES OF VIRTUAL MEETING (Via Zoom)

June 18, 2020
7:00 P.M.

Commissioners Present

Chair Mork
Vice Chair Malek
Commissioner Callahan
Commissioner Galuska
Commissioner Lin
Commissioner Rwamashongye
Commissioner Sager

Staff Present

Rachael Markle, Planning Director
Nora Gierloff, Planning Manager
Steve Szafran, Senior Planner
Cate Lee, Associate Planner
Julie Ainsworth-Taylor, Assistant City Attorney
Carla Hoekzema, Planning Commission Clerk

CALL TO ORDER

Chair Mork called the virtual meeting of the Shoreline Planning Commission to order at 7:00 p.m.

ROLL CALL

Upon roll call by Ms. Hoekzema the following Commissioners were present: Chair Mork, Vice Chair Malek, and Commissioners Callahan, Galuska, Rwamashongye and Sager. Commissioner Lin joined the meeting at 7:10 p.m.

APPROVAL OF AGENDA

The agenda was accepted as presented.

APPROVAL OF MINUTES

The minutes of June 4, 2020 were accepted as presented.

GENERAL PUBLIC COMMENT

There were no general public comments.

STUDY ITEM: GROUND FLOOR COMMERCIAL DEVELOPMENT CODE REGULATIONS

Mr. Szafran said the purpose of the proposed amendments is to require commercial uses on the ground floor of new multifamily buildings. He shared pictures of recent projects in the North City Business District where 100s of new residential dwelling units are being built with no commercial space.

Mr. Szafran reviewed that the Ground Floor Commercial Development Code Amendments started from a Comprehensive Plan amendment request by a North City resident. The City Council reviewed the requested amendment. However, instead of a Comprehensive Plan amendment to add it as a policy or goal, the City Council directed staff to start working on Development Code amendments to initiate the changes quicker.

Mr. Szafran said staff used the North City Business District Subarea Plan as the starting point for the proposed amendments. As per the subarea plan, 15th Avenue NE was anticipated to be a mix of residential and commercial uses. The subarea plan, as well as the companion Development Code, was adopted in 2001, but was never realized.

Mr. Szafran reviewed that the Ridgecrest Commercial Area has been an active commercial area for a long time. Current development includes very popular businesses, such as the Crest Theater, Aroma Café and Ridgecrest Public House. The area hasn't seen a lot of new multifamily redevelopment, but the idea is to get the code in place for when that starts to happen.

Mr. Szafran said staff reviewed the codes from 21 jurisdictions in the region. All of them have some form of ground floor commercial requirements, and most have incentives to promote ground floor commercial or pedestrian-oriented retail. He shared the following:

- In Bothell, streets that are designated pedestrian-oriented retail require commercial uses in new development, and all the streets along Bothell Way and Main Street allow live/work units provided they can be converted to pedestrian-oriented retail in the future. Also, 100% of the frontage adjacent to the right-of-way must include pedestrian-oriented retail, and outdoor dining is allowed to occupy the public sidewalk as long as pedestrians can safely pass by.
- Woodinville requires retail uses on certain designated streets. While Woodinville's code doesn't define what retail uses should be included, commercial uses must occupy the total ground floor adjacent to the street. Their code specifically restricts residential uses on the street front.

Ms. Lee shared that an online survey asked a series of questions based on how a person identified themselves by the first question. Residents were asked 24 questions and business operators, developers, real estate investors and agents were asked 6 questions. People who were both residents of North City or Ridgecrest and a business operator, developer, real estate investor or agent were asked all of the questions. The survey was open from April 17th to May 17th. A variety of methods were used to invite the community to take the survey, including a link on the ground floor commercial project website; emails to the neighborhood association contacts for North City, Ridgecrest, Briarcrest and Ballinger; business community contacts; Kevin Atkinson who has the Urban Shoreline Website; and all applicants for commercial, multifamily and mixed-use projects in the City within the last two years. In addition,

postcards with a link to the survey were mailed to property owners in North City and Ridgecrest within the commercial zoning designation along major corridors (660 addresses). There were also posts on the City's Facebook and Twitter sites. In total, 904 people responded to the survey, and the completion rate was 70%. She reviewed the results of the survey as follows:

Questions for Residents

- **Question 1** – This question asked respondents to self-identify. In total, 63% of the respondents identified as North City or Ridgecrest residents, 30% as residents of other neighborhoods in Shoreline, 3% as residents of North City or Ridgecrest and a business operator and 4% were business operators, developers, real estate agents or investors only.
- **Questions 2 through 12** – These questions were presented as a use and respondents were asked to rate each use in terms of what they would like to see near them in their neighborhood. Restaurants and cafes, brew pubs and microbreweries, and shops, salons and services rated the highest. The lowest rated uses were professional offices, bars and nightclubs, music and dance studios and veterinarian clinics.
- **Question 13** – Residents were asked if they had a suggested use that wasn't itemized earlier in the survey. There was some overlap with uses that were already covered in the earlier questions, which had broader categories. The top uses were coffee shops, drug stores, pharmacies, post office, and boutiques.
- **Question 14** – This question asked respondents if each use in questions 2 through 13 was accessed by respondents in Shoreline, outside of Shoreline or were not used by them in a typical month. The top uses accessed within Shoreline were convenient stores and restaurants, the top uses accessed outside of Shoreline were medical and professional offices, and the top uses not accessed in a typical month were daycare and music and dance studios.
- **Question 15** – This question asked residents who indicated "outside of Shoreline" in the previous question to name the top two reasons why they used a particular service outside of Shoreline. The top two reasons were: options better matched preferences or the service/use was unavailable in Shoreline.
- **Questions 16 through 21** – These questions asked residents to rate a corridor or intersection in terms of areas they would most like to see commercial uses. The number one location was the intersection of 15th Avenue NE and NE 175th Street. The entire corridor along 15th Avenue NE was highly rated, as was 5th Avenue NE and NE 165th Street. The corridor on 12th Avenue NE had a lower rating.
- **Questions 22** – This question asked respondents if they had a suggested intersection or corridor not itemized earlier in the survey. They received a total of 85 unique intersections or corridors. Top ones included 5th Avenue NE and NE 165th Street and 15th Avenue NE from NE 145th Street to NE 205th Street.

- **Question 23** – Residents were asked how they were getting to the uses in their neighborhoods (mode of travel). They were asked to select all that applied. The top three included car (93%), walking (67%) and bicycle (25%).
- **Question 24** – Residents were asked to write in the intersection closest to their home residence, and the top three were NE 175th Street/15th Avenue NE (64), NE 165th Street/5th Avenue NE, and NE 180th Street/15th Avenue NE.
- **Question 25** – Respondents were asked to share any other thoughts or information that the Council should consider related to requiring or incentivizing ground floor commercial uses. A total of 352 residents took the time to share additional thoughts. The thoughts included requiring commercial on the ground floor without any exemption, incentivizing small businesses, encourage local businesses and not national chains, disallowing a parking reduction, ample parking for the commercial uses, there is already inadequate parking for apartments that were recently built, more options and variety in restaurants, more family-friendly options, and ground floor commercial should be required in traditional business district areas but not in the recently up-zoned residential areas.

Questions for business operators, developers and real estate investors or agents

- **Question 1** – Respondents were asked to rank a list of incentives. The top three incentives were height bonus, hardscape maximum and parking reduction. The highest was height bonus.
- **Question 2** – Respondents were asked to rank different ways the City could structure its regulations. The top was a requirement that all commercial-zoned properties contain at least some space dedicated to commercial uses on streets that are classified as arterials.
- **Question 3** – Respondents were asked to rank a list of corridors and intersections in terms of where they thought retail would be most viable. The top ranked intersection was 15th Avenue NE/NE 175th Street.
- **Question 4** – This question asked respondents who operate a business in North City or Ridgecrest what is the closest intersection to their business. The top two intersections were 15th Avenue NE/NE 175th Street and 15th Avenue NE/NE 177th Street.
- **Question 5** – Respondents were asked where their residence was located, and the zip codes indicated that most were from Shoreline, Lake Forest Park or Seattle.
- **Question 6** – Respondents were asked to provide other thoughts or information they would like to share with City Council. They received 65 responses, which included: short-term parking was needed in order for ground floor commercial to be successful, the City needs to be flexible and not drive away development, incentivize small and local businesses and not national chains, prioritize affordable housing and provide some type of exemption for projects that have affordable housing, and requiring ground floor commercial will lead to vacant commercial space. They also felt that

ground floor commercial should be incentivized and not required and that the way to incentivize is to reduce permit fees and create tax incentives.

Mr. Szafran explained that the proposed amendments are based on past plans, research of other jurisdictions, and the results of the online survey. He reviewed each amendment as follows:

- **Table SMC 20.40.120.** This amendment would strike the word “Apartment” and rename it “Multifamily.” This change is consistent with the term “Multifamily Dwelling” that is used in the Multifamily Residential Design Standards. Also, “Apartments” represent just one type of Multifamily development, and “Multifamily” would cover a variety of dwelling unit types. The amendment also adds index criteria (P-i) to the “Multifamily” use in the Community Business (CB) zone. The indexed criteria are addressed in the next amendment.
- **SMC 20.40.465(A).** Language was added to clarify that the ground floor commercial requirement would apply only to the CB zoned properties shown in Figure 20.40.465(A). These areas are shown in hatched red color and include the properties at the corners of NE 165th Street and 5th Avenue NE, NE 175th Street and 15th Avenue NE, and NE 177th Street and 15th Avenue NE.
- **SMC 20.40.465(B).** As proposed, properties within the red hatched areas would be required to construct commercial space on the portion of the building’s ground floor abutting a public right-of-way (ROW) in all multifamily buildings. However, the commercial space could be used for any use allowed in the CB zone as per Tables 20.40.130 and 20.40.140. Residential dwelling units would not be allowed in the spaces fronting the street.
- **SMC 20.40.465(C).** This amendment states that in order to accommodate a range of tenants, the required parking ratio for any ground floor commercial tenant space must have 1 parking stall per 400 square feet of floor area. Square footage refers to the net usable area and generally excludes walls, corridors, lobbies, bathrooms, etc.
- **SMC 20.40.465(D).** This amendment offers incentives when the ground floor commercial space is constructed to accommodate a restaurant. Survey respondents expressed a desire for a variety of restaurant uses, and the incentives are designed to encourage that type of use. In order to be eligible for the incentive, the restaurant-ready space must have Americans with Disabilities Act (ADA) compliant bathrooms, a central plumbing drain line, a grease trap and a ventilation shaft for a commercial kitchen hood/exhaust. Developers who create restaurant spaces are eligible for a height bonus of 12 feet and an additional 5% of hardscape.
- **SMC 20.50.020(3).** The table in this section would be amended to add footnotes to reflect the incentives discussed above. Footnote 6 states that base height may be exceeded by 12 feet and Footnote 7 states that the maximum hardscape may be exceeded by an additional 5% for projects that qualify under SMC 20.40.465(D).
- **SMC 20.50.240(C)(1)(a).** This amendment clarifies that buildings and parking structures must be placed at the property line or abutting public sidewalks, except when the required minimum front

yard setback is greater than zero feet, in which case the building shall be placed at the minimum setback. The amendment recognizes that not all zones have a zero-foot setback. This is not specific to the ground floor commercial requirement, but is a clarification that is needed in the code.

- **SMC 20.50.250(C).** This is a new section that requires ground floor commercial building design. As proposed:
 1. New buildings subject to SMC 20.40.465 shall comply with the provisions. This includes all new multifamily development in designated areas of the North City and Ridgecrest Neighborhoods.
 2. The standards are not eligible for design departures. The Development Code does allow design departures for other building design elements through the Administrative Design Review Process, but staff believes this section should not be eligible for those same design departures if the goal is to get the necessary frontage and commercial spaces the City desires.
 3. The requirements apply to the portion of the building's ground floor abutting a public ROW. The commercial space shall wrap around the building adjacent to the ROW, and the other parts of the ground floor can be used for other things. It doesn't make sense to require commercial uses to face a side or rear yard.
 4. A minimum of 100% of the lineal frontage shall consist of commercial space. Up to 25% of the minimum 100% can be used for things associated with the multifamily use such as lobbies, leasing offices, fitness centers, community rooms, and other private open space. None of the lineal frontage can be used for residential dwelling units.
 5. All ground floor commercial spaces abutting a ROW shall be constructed at a minimum average depth of 20 feet with no depth less than 15 feet. Depth would be measured from the wall abutting the ROW frontage to the rear wall of the commercial space. This provision allows some flexibility in case a commercial space needs to be narrowed up for mechanical equipment as long as the lineal frontage averages 20 feet in depth.
 6. All ground floor commercial spaces shall be constructed with a minimum ceiling height of 12 feet, measured from finished floor to the finished ceiling. Research has shown that other jurisdictions use a range of ceiling heights between 12 and 20 feet. Conversations with commercial brokers and developers indicate that 12-foot ceiling heights are adequate to accommodate retail, restaurant and offices uses.

Mr. Szafran advised that staff is looking for direction from the Commission relative to the following policy questions:

- **Should the City include incentives to encourage uses that are preferred in the North City and Ridgecrest Neighborhoods?** Based on the online survey, most respondents want more cafes and restaurants in their neighborhoods. The proposed Development Code amendments include incentives for restaurant-ready spaces. **Does the Commission think this is appropriate? Are there other commercial uses that should be incentivized instead or in addition?**

- **Will requiring new development to construct and occupy the ROW frontages identified in in Figure 20.40.465(A) within Ridgecrest and North City with commercial uses create enough neighborhood-serving commercial uses? Will there be enough customer demand to support these many businesses? Will there be enough businesses to lease all of the spaces?** Are the areas right or should they consider expanding them?
- **How should commercial uses be defined.** Staff has proposed allowing all commercial uses that are nonresidential with the explicit exclusion of any residential uses on the ground floor. **Does the Commission agree with this approach or should the allowed uses be more narrowly defined?** If that is the case, it would limit the number of businesses that could occupy the ground floor commercial spaces, leading to some vacant storefronts for a while.

Commissioner Lin asked if staff has sought feedback from the Economic Development Manager. She felt that this input would be invaluable to the Commission when formulating a recommendation. She doesn't have an overall picture of Shoreline's commercial development. Mr. Szafran said the Economic Development Manager was consulted when the proposed amendments were being drafted. Everyone has the same concern that requiring too much ground floor commercial space could lead to oversaturation. The Economic Development Manager was comfortable with the proposed amendment, but he could be invited to the next meeting to provide more information.

Commissioner Rwamashongye asked how the City could accommodate loading zones for commercial buildings on arterials as they change to accommodate more multimodal transportation opportunities. Requiring buildings to abut the sidewalks might impinge on the future ability to provide loading zones for the businesses. The occupants of the residential units might also want to use the loading zones. While he appreciates the ability to encourage economic vibrancy and mobility at the same time, they need to make sure that the code takes into account issues such as loading zones. Arterials are very critical, and this is the best time to plan for them to accommodate multiple uses. He emphasized that walkability and the pedestrian experience are very important in areas where restaurants are located. The survey indicated that about 65% of the respondents walk and 64% of them live within the intersection of 15th Avenue NE and NE 175th Street.

Mr. Szafran responded that another section of the Development Code addresses on-site parking and loading. The buildings would need to provide loading spaces at the rates shown in the Development Code, and they would have to be on site. The City does not allow loading zones to be off-site or in the ROW. While street parking is great, the City cannot count on-street parking as part of the residential or commercial parking requirement. Parking must be provided on site, as well. He said walkability is somewhat built into the design standards. The buildings must provide weather protection, etc. He noted that one of the City's first major projects was beautifying 15th Avenue NE with sidewalks, pedestrian-scale lighting, etc. He said they didn't look too much into things in the ROW that would encourage walkability as part of the proposed amendments.

Chair Mork said Commissioner Rwamashongye raised some very good points, and it is very important for the Commissioners to understand how it all fits together. She noted that the Commission received a letter from a citizen, who also asked about planter boxes and other green amenities. She suggested it would be helpful for staff to provide illustrations showing how loading and unloading would be done, how outside

restaurant seating would work in relationship to the sidewalks, how planter boxes, street trees and other amenities would work with the setbacks, etc. Mr. Szafran agreed to provide this information at the next meeting.

Commissioner Callahan asked if the incentives would really give the City what it wants. She commented that the incentives are for building the space and not for occupying the space. She said she is concerned about all of the news articles about how developers in other cities have created the commercial space, but it remains unoccupied. The goal is to get more businesses, and she is concerned about putting that at risk by requiring commercial space and not having anything that protects the City if the spaces remain vacant. She asked if there is anything else in the City's toolbox that would prevent these vacancies.

Commissioner Callahan observed that the entire country is in the middle of an unprecedented time (pandemic). She has been reading industry papers, and it is clear that no one knows when the restrictions will be lifted, when there will be a vaccine, and when people will feel comfortable going back to the activities they enjoyed before the pandemic. Taking the view that things have changed in recent months, she asked if the City could look at incentivizing smaller spaces for businesses or making more affordable or convertible types of spaces. The need for restaurants is clear, but she questioned if they will be the same kind of restaurants they are used to. She asked staff to consider opportunities to acknowledge the changing world in the proposed amendments.

Mr. Szafran reviewed that the requirement for ground floor commercial space has been a standard since the City was incorporated. However, the City has allowed residential dwellings to occupy that space, assuming there would come a time when the demand would change and the residential units would be replaced with commercial businesses. Up to this point, the commercial uses that the community and City Council wants to see haven't happened. Rather than requiring ground floor commercial space in all commercial zones in the City, the proposed amendments start with the key corners that have the most traffic and are the most used.

Mr. Szafran said that, in meetings with the Economic Development Manager, questions were asked about whether the City has any programs that provide monetary support to encourage local businesses. At that time, there were none. As proposed, the amendments offer incentives to restaurant-ready spaces, and the Commission could recommend that this opportunity be expanded to a handful of other uses that could benefit from the program, as well.

Commissioner Galuska commented that there is only a soft demand for commercial space now, and he doesn't have a lot of faith that the residential conversion-ready projects will ever convert. On the other hand, requiring commercial on the ground floor runs the risk of having vacant storefronts. He said he supports requiring ground floor commercial on the targeted street frontages. Otherwise, residential frontages will occupy the street frontages and kill the neighborhoods. He noted that the old post office property would be a great place for commercial frontage, but he doesn't think they will see that with the current building.

Commissioner Galuska asked why the proposed amendment only identifies a small section of 15th Avenue NE (north to south) in North City as ground floor commercial only. He also asked if there are plans to revise the 15th Avenue NE street design to more of a downtown street. In the examples provided, the

streets were revised to be more commercial friendly. Mr. Szafran said the North City Business District Plan that was initially adopted identified a Main Street 1 and Main Street 2. Main Street 1 required commercial on the ground floor, and he simply applied those policies in the district plan. However, the Commission could expand the area. Mr. Szafran said 15th Avenue NE was originally designed to be a 3-lane road with street parking, but it was later revised to 4 lanes. He said he does not anticipate that the street will revert back to a 3-lane section.

Commissioner Galuska observed that the section on 15th Avenue NE where the ground floor commercial requirement would apply is probably less than half mile. He recommended that the requirement be expanded to the north and south, as well as a little way down the side streets.

Commissioner Galuska referred to the incentives for restaurant-ready commercial space, he thought that ADA-compliant bathrooms were already a requirement for all commercial development. He suggested the proposed amendments should be more specific and as to the type of grease trap the commercial building code requires for a restaurant-type use. Mr. Szafran said the Commercial Plans Examiners identified the basic things that would be required for a commercial space without citing exact building standards. The Commercial Plans Examiner would make sure that a project includes the things that would make the space viable for a restaurant use.

Vice Chair Malek said he understands the direction that the City Council and the City, as a whole, wants to take. He referred to the City of Redmond, which is gorgeous the way it has developed with nice businesses and walkability. Although Redmond is very similar in size to Shoreline and population, 100,000 more people come into Redmond during business hours to work at Microsoft. This triple population provides significant support to the commercial businesses. He agreed with Commissioner Galuska that, once a project is developed with ground floor residential uses, it is not likely that the space will convert to commercial any time soon. He suggested they take a macro look at the proposed amendments. Perhaps they should include a hardship clause or business incentives. What happens if the City finds itself back in quarantine with a second wave of coronavirus and there still isn't a vaccine and/or drugs to mitigate the extent of the impact?

Vice Chair Malek emphasized that any incentives that are offered to developers or businesses must be meaningful. He said he would love to see less parking, but didn't think it would make sense for the area. To draw the kind of businesses that are needed, patrons will have to come from outside of the City and they will need places to park and drop things off. For example, Frank Lumber is a wonderful business and people come from everywhere to pick up materials. They need a lot of parking and easy access.

Vice Chair Malek cautioned that they need to consider the type of business mix that is desirable in Ridgecrest and North City to meet the needs and demands of the people who live in the area. While he anticipates that restaurants will rekindle following the pandemic, the areas they are talking about are more expensive real estate.

Vice Chair Malek commented that 2024 is the earliest that the train will start running through the area, and it would be helpful to have more information from Sound Transit about the volume of riders they expect. Perhaps the City should consider other opportunities to sponsor the concept of "if you build it, they will come." He would love to see Shoreline become like Redmond. They have beautiful parks, great

schools, trails, farmers market, etc. He said he would like the Economic Development Manager to respond to how many people need to pass through the area to support the desired ground floor businesses. He would also like information about other incentives the City is considering to help businesses.

Commissioner Sager said she would love to see a “main street” feel in the areas identified in the proposed amendments. In a perfect world, great small businesses could occupy the spaces. However, she is very concerned with the thought of vacant ground floor commercial spaces. There must be more incentives to draw in new businesses. She asked about the future outlook for redevelopment in these areas, and pointed out that three of the four corners of the Ridgecrest intersection have long-established businesses. She asked how they can ensure that anything will happen in these areas that have remained the same for a long time.

Mr. Szafran recalled that, about 14 years ago, the bingo site was proposed to be a mixed-use development, but it didn’t work out. They know that site could potentially be redeveloped at some point. The 7-11 site could potentially redevelop at any time, as well. However, he acknowledged that the City has not received applications for development on any of the sites. Chair Mork commented that, rather than forcing redevelopment, the amendments are intended to set the stage for when redevelopment occurs.

Chair Mork observed that all of the 21 cities staff researched clearly mandate ground floor commercial space. The only way the City is likely to reach this goal is to require ground floor commercial space with all new development. She said she is concerned that a 12-foot ceiling height would be inadequate, and most other cities require more. Based on her experience, she suggested a minimum of 14 feet. She also suggested that staff seek input from people associated with restaurants as opposed to developers.

Chair Mork commented that the 20-foot average depth requirement is also on the light side. She appreciates the concern about being able to lease the spaces, but she wants to make sure the spaces are large enough to accommodate businesses going forward.

Chair Mork asked for more information about how the incentives associated with the Deep Green Program would work in relationship to the incentives proposed for ground floor commercial development. Mr. Szafran said the incentives for ground floor commercial space would be additive and wouldn’t take anything away from the Deep Green Program incentives. Chair Mork asked if a developer would be able to use both incentive programs to get more than 12 feet in additional height, and Mr. Szafran said he would research and answer the question at a later time.

Chair Mork commented that she prefers incentives as opposed to mandates, but she personally feels they must mandate that new construction in these areas must include ground floor commercial space. She said she is not opposed to allowing two sets of incentives to apply in order to encourage affordable housing and green elements. She referred to the City of SeaTac’s lengthy list of allowed uses and suggested there may be uses the City hasn’t yet considered. For example, would a laundry mat be allowed? Mr. Szafran answered that all of the uses listed on the “nonresidential” or “other” use tables for the CB zone would be allowed. He said it is important to strike a balance, making the code flexible enough to avoid vacant spaces over long periods of time. At the next public hearing, Chair Mork asked staff to expound more about what kinds of uses would be allowed to locate in the ground floor commercial spaces. While there may be great interest in restaurants, coffee shops, bakeries, etc., grocery stores may be of greater interest now than when the amendments were first considered. She is not sure a bakery would need a commercial

hood. Perhaps they should consider how to encourage other uses that are similar to, but perhaps not the same, as a restaurant.

Chair Mork invited the Commissioners to respond to the policy questions put forward by staff at the beginning of the meeting:

- **Should the City include incentives to encourage uses that are preferred in the North City and Ridgcrest Neighborhoods? Does the Commission think this is appropriate? Are there other commercial uses that should be incentivized instead or in addition?**

Chair Mork voiced support for the proposed incentives and suggested that they also consider offering priority permit review. She would look at a two-tier incentive program that gets projects closer to the City's goals for green development, outside amenities, etc.

Commissioner Lin said she was opposed to offering increased hardscape as an incentive for restaurant-ready development. She asked if the intent is to allow restaurants to increase their outdoor dining spaces. Mr. Szafran responded that, as proposed, the City's way to encourage the uses deemed most preferable via the survey is to offer a height bonus and a larger building footprint. The CB zone allows for 85% hardscape, and as proposed, restaurant-ready development would be allowed 90% hardscape. Commissioner Lin pointed out that the hardscape incentive is significant because the increased footprint would apply to all floors of the building. She voiced concern about decreasing the amount of permeable surface on a lot, which would likely require more trees to be removed, too. This seems to work against the green incentives the City wants to promote. Mr. Szafran commented that no tree retention is required in the City's commercial zones. Commissioner Lin responded that allowing the building footprint to increase by 5% would result in less landscaped area. Chair Mork observed that there are permeable sidewalk materials.

Commissioner Galuska asked if the City allows increased hardscape if a development provides roof treatment such as a green roof or solar voltaic. Mr. Szafran said green roofs and solar voltaic are subtracted from the hardscape requirement. Commissioner Galuska commented that, compared to doing commercial improvements on the ground floor, adding a green roof will be an easier incentive to achieve. He cautioned against having one incentive that is significantly easier to achieve because the others won't be used as often.

Commissioner Galuska said that one stall for every 400 square feet of commercial space seems like a lot of parking. Because most of it will be structured parking, each space will be expensive. However, he noted the absence of public parking, particularly in North City. Mr. Szafran pointed out that, typically, the code requires one space for every 75 square feet for restaurant space. Commissioner Galuska agreed that reducing the parking requirement, as proposed, would be a strong incentive for restaurant-ready development. While he is concerned about spill over traffic into the neighborhoods, a graver concern would be empty commercial space because there isn't enough parking.

Commissioner Galuska asked if the incentive that allows height to increase from 60 to 72 feet would put a building over the 5 over 1 height. He noted that most pedestal construction works out to 50 feet or 5 over 1. Mr. Szafran said the City has issued permits for projects that are 5 over 2. Commissioner Galuska

summarized that the incentive would allow a project to go from 5 over 1 to 5 over 2. He commented, and Mr. Szafran agreed, that the height incentive would not likely convince a developer to go to steel. Commissioner Galuska said the height incentive seems reasonable, but he isn't convinced that a lot of developers will make that jump.

Commissioner Rwamashongye said he supports all of the proposed incentives, and the more the better. For cities like Shoreline, that doesn't have a large employer, incentives are important to create economically-vibrant communities. Vice Chair Malek pointed out that, whatever the City gives up in taxes, they get back in sales tax revenue. They also end up with a more vibrant community.

Commissioner Callahan asked how the City encourages good use of rooftops. In particular, she asked if another section of the code encourages the use of rooftop spaces in multifamily residential projects. Mr. Szafran responded that a different part of the code offers incentives for green roofs and solar panels, which don't count towards the total hardscape. Commissioner Callahan asked if anything else could be done to further encourage maximum use of rooftops.

Chair Mork referred to Commissioner Callahan's earlier comment about figuring out a way to get money to the restaurant owners as opposed to the builders. She encouraged the City to think about these opportunities.

Chair Mork invited the Commissioners to respond to the specific questions raised by staff at the beginning of the presentation:

- **Will requiring new development to construct and occupy the ROW frontages identified in in Figure 20.40.465(A) within Ridgecrest and North City with commercial uses create enough neighborhood-serving commercial uses? Will there be enough customer demand to support these many businesses? Will there be enough businesses to lease all of the spaces?**

Mr. Szafran recalled earlier Commissioner comments about the possibility of expanding the North City area further to the north and south on 15th Avenue NE, as well as including some east/west streets. He asked the Commissioners for feedback about whether the areas identified in the proposed amendments are appropriate or if they should be expanded or reduced.

Commissioner Sager said she would support expanding the area in North City, especially down NE 175th Street and NE 177th Street. She felt the community could support that amount of commercial space in the future. Vice Chair Malek concurred. If the City has a good plan in place, expanding the length of the commercial district along 15th Avenue NE would be important and necessary. He suggested the commercial district could be expanded along 15th Avenue NE from NE 205th Street all the way to NE 145th Street.

Chair Mork asked if a property owner on 15th Avenue NE but beyond the boundaries of the commercial district identified in the amendments could also take advantage of the incentives. Mr. Szafran answered that the incentives would only apply to properties in the area identified in the amendments.

Commissioner Lin said she also supports expanding the boundaries of the ground floor commercial area. She recalled that the Commission has had several discussions about the need to increase the commercial area, and the area indicated in the proposed amendments is too small. She said it would be helpful for staff to provide information from the other jurisdictions they studied relative to vacancies in their commercial spaces.

The Commissioners agreed to expand the boundaries of the ground floor commercial requirement in North City as follows:

- 15th Avenue NE from just south of NE 175th Street all the way to NE 180th Street.
- NE 175th Street east and west of 15th Avenue NE to include the properties shown on the map in red.
- NE 177th Street east of 15th Avenue NE to include the properties shown on the map up to the housing complex on the north side.
- NE 180th Street west of 15th Avenue NE to include the properties shown on the map in red.

Vice Chair Malek voiced his belief that, over time, it makes sense to have a plan for the entire 15th Avenue NE, especially given the larger parcels that are along the corridor. He isn't saying that all development along the corridor must have ground floor commercial, but there needs to be a plan in place to foster the development of commercial along the corridor for as long a stretch as makes sense. He acknowledged that some of the properties have been recently developed, but it would be appropriate to require commercial development on the ground floor to the extent possible. Commissioner Rwamashongye agreed that it would be appropriate to have a plan in place for the entire 15th Avenue NE, particularly as large sites such as the Goodwill and Fircrest properties are likely to redevelop in the future.

Chair Mork asked staff to provide larger maps at the next public hearing that include both of the light rail stations.

- **How should commercial uses be defined. Does the Commission agree with this approach or should the allowed uses be more narrowly defined?**

Mr. Szafran asked the Commissioners to provide feedback about the types of uses that should be allowed in the newly designated areas.

Commissioner Galuska said he is in favor of incentivizing active uses such as restaurants, but any commercial use has value, particularly if they increase the area boundaries. Unless there are some specific uses that would be problematic, he would support having a broad definition that includes retail and other commercial uses.

Commissioner Rwamashongye reviewed that the survey respondents indicated a desire for multi-use commercial space, and he would support that approach. However, some uses, such as daycare facilities will require safe drop-off zones.

Commissioner Sager said she is also in favor of allowing a broad range of uses. However, when thinking of a main street, family-oriented streetscape, uses such as adult bookstores are not appropriate. She also

agreed with the survey respondents that no more marijuana stores are needed. Automobile leasing doesn't seem like an appropriate use, either.

Mr. Szafran agreed to update the proposed amendments to incorporate the Commissioner's comments in preparation for the public hearing on July 16th.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

REPORTS OF COMMITTEES AND COMMISSIONER ANNOUNCEMENTS

Vice Chair Malek referred to the Point Wells Update that was published on June 15th, which reflected the report that he gave the Commission on June 4th. He noted that Commissioner Sager agreed to serve with him on the Point Wells Subcommittee, and he plans to meet with her within the next few weeks. He said it would be helpful to have other Commissioners on the committee to attend the various meetings and gather information.

Chair Mork thanked staff for the good summaries they have provided to the Commission.

AGENDA FOR NEXT MEETING

Ms. Gierloff said the July 2nd meeting is scheduled as a public hearing on proposed amendments to allow Professional Offices in the R-8 and R-12 zones with a conditional use permit. Staff will also present a very robust package of batch amendments.

Chair Mork voiced concern about having a public hearing on the Professional Office amendment when only three of the present Commissioners participated in the previous study session. Ms. Gierloff said staff will provide good background information, and the Commissioners could postpone their recommendation, if necessary.

ADJOURNMENT

The meeting was adjourned at 8:51 p.m.



Laura Mork
Chair, Planning Commission



Carla Hoekzema
Clerk, Planning Commission