

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION MINUTES OF PUBLIC HEARING (Via Zoom)

July 16, 2020
7:00 P.M.

Shoreline City Hall
Council Chamber

Commissioners Present

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

Staff Present

Nora Gierloff, Planning Manager
Julie Ainsworth-Taylor, Assistant City Attorney
Carla Hoekzema, Planning Commission Clerk

Commissioners Absent

Vice Chair Malek

CALL TO ORDER

Chair Mork called the public hearing 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 and Commissioners Callahan, Galuska, Lin, Rwamashongye and Sager. Vice Chair Malek was absent.

APPROVAL OF AGENDA

The agenda was accepted as presented.

GENERAL PUBLIC COMMENT

There were no general public comments.

PUBLIC HEARING: COMMUNITY RENEWAL AREA (CRA) SIGN CODE UPDATE

Chair Mork reviewed the rules and procedures for the public hearing and then opened the hearing. She invited Ms. Gierloff to present the Staff Report.

Ms. Gierloff reviewed that the City designated a 70-acre area around the Sears, Central Market and Washington State Department of Transportation (WSDOT) complex as the Aurora Square Community Renewal Area (CRA) in September, 2012. It was later rebranded as Shoreline Place. The designation was intended to spur redevelopment of this prime commercial property from primarily retail uses into a mixed-use lifestyle center.

Ms. Gierloff explained that specific rules and regulations were created for the CRA to foster redevelopment. She provided a map, noting that the blue outline indicates the extent of the CRA, and the blue shaded area is the extent of the lifestyle center (Shoreline Place). The western portion is the WSDOT campus and a private school is located in the southern triangular portion of the site. The area to the east between the red and yellow bars is currently being developed as apartments (Alexan).

Ms. Gierloff advised that the City has entered into a development agreement with the property owner (Merlone Geier) of the central portion within the lifestyle center. Merlone Geier has come forward with a vision of how they see the property transforming, which will include a lot of public open space and apartment buildings with ground-floor commercial. The sign code is being reviewed again to ensure it supports the vision for redevelopment and accommodates all of the different types of uses and tenants that will be mixing on the site. She reviewed the proposed amendments as follows:

- Between the time that the current sign code was adopted and now, there have been some changes, based on a Supreme Court decision that limit what the City can regulate about signage. The City can limit the number, size, location and type, but it cannot regulate a sign's content. The language has been changed to be content neutral in compliance with the court's decision.
- The language was changed to clarify how the sign copy area will be calculated.
- The current code includes a \$100 per day penalty for failure to install new monument, wayfinding and pylon signage by September 1, 2017. The idea was to encourage property owners to refresh their signage. Staff is proposing that this penalty be eliminated. Instead, businesses will be required to replace their nonconforming signs if they want to take advantage of the new sign code. Hopefully, this will work to spur change on the site.
- Signs are expensive, so it is important that businesses get the most use from their signs. They need to be used for placemaking and creating a unique identity for the CRA. A proposed amendment would encourage businesses to get creative about their signs by offering allowances for signs that are different and creative via the administrative design review process.
- With monument signs, the intent is to allocate quite a bit of the allowed sign area to advertising the center as a whole. However, property owners and tenants have voiced concern that there would only be limited space available for each tenant. They want the ability to equitably list all of the tenant in a font that is readable for passersby. Currently, half of every monument sign must be devoted to advertising the center as a whole. Staff is recommending this be reduced to just 15%. There would still be consistent design elements and/or a logo, but the majority of the sign would be used to educate the passersby of the businesses located on site. This change would prioritize the success of the tenants.

- Property owners also stressed the importance of allowing retail leasing signs that provide contact information. A new category of sign was added to the code to address these important signs.
- A proposed amendment would clarify that the properties outside of the lifestyle center would not be required to devote parts of their signs to advertising Shoreline Place.
- Currently, the code allows two 100-square-foot monument signs per driveway. However, staff is concerned that allowing a large sign on each side of the driveway would create conflict with the existing trees, as well as the existing pole and pylon signs. It would also be difficult from a traffic safety standpoint. At the last meeting, she suggested that only one monument sign be allowed per driveway. Based on concerns raised by ROIC, a property owner within the CRA, she is now recommending that the number of monument signs allowed be based on the amount of street frontage rather than per driveway. As proposed, one monument sign would be allowed for every 250 feet of street frontage. For larger parcels, the number of monument signs allowed would be capped at three per street. This alternative would allow property owners to move their signs further away from the driveways so they don't interfere with the vision triangle.

Merlone Geier voiced concern that they may lose signage if they split up some of their parcels at some point in the future. However, she felt the opposite would be true. If more parcels are created, the property owners could be eligible for more signage. The number of monument signs might be similar with either alternative, since the number of monument signs would be capped at three signs per parcel. Because it is difficult to subdivide commercial spaces, she is not concerned that people will try to game the system by dividing in order to get more signs. The new proposal would allow more flexibility, which is something the property owners value highly.

- To reduce driver distraction, changeable electronic message pylon signs would no longer be allowed.
- The amount of copy area on a pylon sign that must be devoted to advertising Shoreline Place rather than the individual tenants would be reduced from 25% to 15%.
- The existing pylon signs are approximately 35 feet tall, and the current sign code limits the height to 25 feet. Because the signs are expensive, property owners asked to retain the option of using the existing sign structure, while changing the outside to make it look different. Staff is now recommending that pylon signs be allowed a height of up to 35 feet. The thought is that property owners will be more likely to remodel their signs if they don't have to completely replace them.
- Currently, each street frontage is allowed a single pylon sign. The sign must face either commercial or mixed-use zoning (not residential), but the code doesn't address situations where a street frontage is split between multiple property owners. Staff is recommending that the signs be allocated per parcel, allowing each property owner to make decisions on what is best for their tenants. As proposed, one sign would be allowed for parcels that are 5 to 10 acres in size, and two signs would be allowed for parcels over 10 acres in size. This change will result in approximately

the same number of signs as the current code, but it will allow a bit more flexibility on where the signs are located. It will also reduce potential conflicts with adjacent property owners.

A concern was raised that if a property were subsequently subdivided, resulting in properties that are less than 5 acres in size, a property owner could lose the right to a pylon sign. She agreed that is possible. However, Merlone Geier is currently proposing a number of different development types via a binding site plan. A binding site plan creates a parent lot that is controlled by different entities and developed in phases but is still regulated based on the parent lot. They are not currently proposing to subdivide the property, but it could happen at some point in the future.

- Staff is proposing two distinct sign allowances for wall signs: one for the ground floor businesses and another for the upper stories of residential units. The idea is to use signs to incentivize the types of development the City wants to see, and allocating wall signs based on public entrances helps create lively and interactive facades. As proposed, one projecting sign would be allowed per public entrance. The proposed amendment also clarifies that wall signs can use the tenant's font and colors rather than the Shoreline Place design.
- Most retail spaces do not want doors and windows on every wall. Signs can be used to incentivize good design and avoid blank walls. Facades can be dressed up by using different materials and adding display windows and awnings, etc. As proposed ground floor spaces could get additional signage, even on walls without entrances, if these techniques are used to liven up the otherwise blank walls.
- The CRA is a big site, and the idea is to encourage people to explore it all and know what is there. The sign code makes allowances for wayfinding signs that provide direction to the different businesses and apartments on the site. Because wayfinding signs are aimed at people who have already entered the site, they would be required to be pulled back from the street so they don't add to the clutter of the pylon and monument signs that are intended to attract the attention of passersby.
- The temporary sign code would be amended to allow businesses to have one or two banner signs, depending on the size of the store. Banners would be limited to 32 square feet in size.

Ms. Gierloff advised that, following the public hearing, the Planning Commission will be asked to forward a recommendation to the City Council. The next step will be developing common sign design guidelines (color, font, etc.) that are consistent with the vision for the site.

Commissioner Sager asked if the proposed limit for monument signs (1 for every 250 feet of street frontage and a maximum of 3) is allocated per street. For example, Merlone Geier has 900 feet of street frontage on one site and 600 on the other, so they would be allowed three monument signs per street front. Ms. Gierloff confirmed that was correct. Commissioner Sager asked if the code would require a certain distance between monument signs or if they could be clustered into one area. She said she would prefer limiting monument signs to one per driveway for traffic safety reasons. Ms. Gierloff said she suggested a spacing requirement for the pylon signs but not for the monument signs. However, it is something the Commission could consider. As proposed, a monument sign would have to meet the site distance

requirements, but they could be bunched together. Commissioner Sager said she would like to include a space requirement for monument signs.

Commissioner Galuska asked how many of the existing pylon signs are nonconforming. He asked if property owners would be allowed to change out the tenants on the nonconforming signs. Ms. Gierloff answered that property owners could keep the existing pylon signs, but they would not be allowed to put up a monument sign that advertises a business that is already on a nonconforming pylon sign.

Chair Mork asked how many pylon signs would potentially be allowed within the CRA based on the current proposal. Ms. Gierloff said there are currently four pylon signs on the site, and the proposed amendment would allow three signs as the property is currently configured. The existing signs are all nonconforming. When the four signs are taken down, only three new ones would be allowed. However, the businesses that are currently advertised on the pylon signs could be advertised on a monument sign, instead.

Assistant City Attorney Ainsworth-Taylor clarified that, based on the old code, all of the pylon signs were supposed to be abated by September 1, 2017. Technically speaking, the property owners have no right to even maintain the existing signs. The City has a right to discontinue nonconforming uses, so the property owners are actually getting a benefit under the proposed language because they will be allowed to do some changes to what they should have abated years ago.

Commissioner Lin agreed with Commissioner Sager's recommendation that there should be a spacing requirement for monument signs. She observed that, based on the site plan for Shoreline Place, there will be more interior streets than what currently exist. This may allow more monument signs. A spacing requirement would cap the number of monument signs allowed on the street. Ms. Gierloff suggested a spacing of 100 feet between monument signs.

Chair Mork reviewed the rules and invited members of the public to testify.

Robert Doran, Retail Opportunity Investments Corporation (ROIC), San Diego, CA, voiced concern about the number of existing pylon and monument signs versus what would be allowed by the proposed amendments. He also asked that consideration be given to the current property owners' obligations to their tenants that have rights on the existing pylon signs. Rather than allowing the existing pylon signs to be refurbished, he suggested the City allow monument signs to be placed where pylon signs are currently located. Considering the existing mature trees, it doesn't make sense for property owners to refurbish the existing pylon signs if they aren't visible from the street. He suggested there be flexibility to allow monument signs where the current pylon signs are located and then relocate the pylon signs to better locations for maximum visibility.

Mr. Doran said ROIC would like some flexibility to add an additional pylon sign at the corner of Aurora Avenue N and N 160th Street, which is a highly-traveled corner. This pylon sign would be in addition to what is already being recommended. Because it is such a prime location, perhaps it could provide signage from multiple property owners without taking away their rights for pylon signs on individual parcels.

Chair Mork closed the public comment portion of the hearing and invited the Commissioners to deliberate.

Commissioner Sager noted that wall signs for the ground-floor commercial spaces would be limited to 1.5 square foot per lineal foot of store front that contains a public entrance. She asked if there would be a maximum size limit to address long storefronts. Ms. Gierloff answered that the total square footage of signage allowed could be split up into wall signs, projecting signs, awning signs, etc.

Commissioner Galuska said he would be opposed to allowing extra signage for ground floor spaces that use techniques to dress up otherwise blank walls. This concept tends to make the side of a building look like the front of a building, but there are no entrances. The City should require or at least encourage public entrances along the sidewalks. This is particularly important for businesses that front on N 160th Street, which is where the main entrance should be. Ms. Gierloff agreed that is a valid urban design concern. However, the property owners felt very strongly about not being required to provide entrances on every wall, but still being able to have signage on the walls without entrances. While the City could require that the walls without entrances be dressed up, the proposed amendment represents a compromise and offers the property owners something in exchange. The signs would only be half the size of those allowed on street fronts that have entrances.

Assistant City Attorney Ainsworth-Taylor suggested the Commission consider if they have enough information to forward a recommendation to the City Council on the proposed amendments with some changes or if they want to provide feedback and ask staff to come back with updated language for them to consider at a future meeting.

Commissioner Callahan agreed with Commissioner Sager's suggestion that there should be a distance requirement for monument signs. She is also interested in exploring Commissioner Galuska's recommendation relative to building facades that don't have entrances. She recognized the need for compromise, but perhaps there are other options. Ms. Gierloff commented that there are already design standards in place, and the provision would simply add an incentive for developers to go beyond what is typically required.

Commissioner Sager suggested that the Commission provide direction and send the amendments back to staff to make modifications based on their feedback and after further research.

Commissioner Rwamashongye thanked staff for revisiting the issues that were raised previously by the Commission and coming back with workable options. They did a fantastic job. His only concern relates to the spacing and location requirements for monument signs. If the City implemented a spacing requirement for monument signs without including any location requirements, a property owner's ability to place a monument sign could be drastically impacted if an adjacent property owner places his/her monument sign near the property line.

Commissioner Lin suggested that the Commission postpone its recommendation until staff can provide additional information to address their concerns.

Commissioner Galuska said he would support sending the amendments back to staff for changes. In addition to adding spacing requirements for monument signs, he would like additional analysis on the nonconforming pylon signs (keeping the existing signs versus the new standards). Based on Mr. Doran's

comments, moving to monument signs might be better for some of the sites. He said he likes calculating sign allowances based on parcel rather than frontage because there are different ownership groups. However, he could see a situation where a property owner wants to do a binding site plan, which divides buildings into individual ownerships. If the divided properties drop below a certain size, they would lose the right to a sign, and he doesn't believe that is the City's intention. He asked staff to consider how the proposed amendments would apply in these situations.

Ms. Gierloff said the idea of a binding site plan is that the differently controlled properties would function as a unified site. For example, perimeter landscaping would be required around the edge rather than around each division and signs could be allocated based on the parent parcel. Assistant City Attorney Ainsworth-Taylor said a binding site plan is a form of subdivision, which is deemed as a unified project that all ties together. Properties that are part of a binding site plan can be subdivided. Ms. Gierloff said that, in her experience, binding site plans are treated as a unified site and regulated as if they were the parent parcel. The lease lines were not of concern to the general concern in the regulations.

If the Commission chooses to delay its recommendation to the City Council, Chair Mork cautioned that it is important that staff has enough information from the Commission to further develop the proposal. The Commissioners summarized their discussion as follows:

- **Should there be spacing and setback requirements for monument signs.** Ms. Gierloff said it is not likely that the setback requirement for monument signs would be greater than the setback required for buildings. Chair Mork reviewed that rather than being concerned about the setback requirements for monument signs, Commissioner Rwamashongye was concerned that the monument signs should not all congregate where parcels meet. In addition to a spacing requirement, he suggested that the signs on separate properties should not be clustered together, either. Ms. Gierloff suggested that the spacing requirement could apply to all monument signs regardless of property ownership.
- **What is the nonconforming status of the existing signs?** As stated by the Assistant City Attorney, Ms. Gierloff reviewed that the existing nonconforming signs have been amortized and required to be removed, and the proposed amendments would grant additional flexibility for them to remain as they are. Mr. Gierloff agreed to provide information about the number and location of existing nonconforming signs.
- **Should wall signs be tied to entrances and not be allowed on walls that don't have public entrances?** Chair Mork said she like's staff's attempt to provide flexibility and incentives to encourage good design. However, Commissioner Galuska previously expressed concern about allowing signage on street fronts that do not have entrances as an incentive for adding certain design elements to address the blank walls. Clearly, this issue will need further discussion and perhaps additional information from staff.
- **Should three or four pylon signs be allowed at Shoreline Place?** Chair Mork referred to Mr. Doran's recommendation that four pylon signs be allowed for Shoreline Place rather than just the three currently recommended by staff. The 4th pylon sign would be located at the corner of N 160th Street and Aurora Avenue N and would be shared by all of the tenants of Shoreline Place. Ms.

Gierloff reminded the Commission that the sign code cannot control content, so it is really a matter of the physical location of signs. She suggested it would be a challenge to place a pylon sign at this intersection where there is a small landscaped area, a fire lane and underground utilities between the street and the building. She is not sure how to write the sign code to address all of these impediments.

- **How many monument signs should be allowed?** Commissioner Galuska said he supports staff's alternative proposal that allows one monument sign for every 250 feet of street frontage, with a maximum cap of three monument signs per street. He said he would be opposed to allowing two monument signs per entrance for safety reasons. Commissioner Rwamashongye agreed that allowing monument signs on each side of the driveway would create a safety hazard. He favors staff's alternative proposal, as well.
- **What should the height limit be for pylon signs?** Commissioner Galuska said he likes staff's proposed alternative that would allow pylon signs to be a maximum of 35 feet tall. Commissioner Rwamashongye said he also supports a 35-foot height limit for pylon signs. He said he strongly believes in urban forestry, and it is the developer's responsibility to locate the signs where they can be seen. However, clearing trees to accommodate a sign runs counter to the community's efforts to preserve the urban forest.
- **Should the penalty for failure to install new signs by September 1, 2017 be eliminated?** Commissioner Rwamashongye said he favors incentives over penalties, but he sees the \$100 per day penalty as a disincentive rather than a penalty.

Chair Mork commented that staff has worked hard on the amendments and proposed some really great ideas. The sign code has a lot of importance for both the community and the property owners. She said she looks forward to the Commission continuing its discussion at a future meeting. Assistant City Attorney Ainsworth-Taylor reminded the Commission that the public testimony part of the hearing has already been closed. However, the Commission could have another study session with staff, followed by another public hearing on the new proposal.

Chair Mork closed the public hearing.

STUDY ITEM: HOUSING ACTION PLAN BRIEFING

Ms. Gierloff reviewed that the 2020 Planning and Community Development Work Plan includes a Housing Choices Project to expand the types of housing in Shoreline by exploring the "missing middle" suite of options (i.e. cottages, tiny houses, vacation rentals and accessory dwelling units). In 2019, the Washington State Department of Commerce offered Growth Management Services Grants to fund the creation of Housing Action Plans. Shoreline applied for and received a \$94,000 grant to hire consultants to develop a Housing Action Plan that expands the scope of the Housing Choices Project. She reviewed the following components of the Housing Action Plan as follows:

- **Housing Needs Assessment.** The Housing Needs Assessment was attached to the Staff Report (Attachment B). The assessment was done by consultants (Community Attributes) and analyzes

Shoreline's existing housing stock, population demographic trends, housing affordability and forecasted housing needs. The goal is to identify the gaps between housing needs and what is available and make appropriate adjustments to meet the anticipated future needs of the City's population. Currently, the City is going through a period of rapid population growth, and the vast majority of the housing growth has been studio and 1-bedroom rental apartments. A smaller number of townhouses are being developed in the station areas that will provide family-sized ownership opportunities. However, aging seniors who want to move out of their larger homes might not be ready to move into a 1-bedroom apartment or townhouse with stairs. A small cottage unit might better fit their needs. The Housing Needs Assessment will point to the areas the City needs to focus on.

- **Communications Plan.** The Communications Plan was attached to the Staff Report as Attachment C. As a result of the pandemic, the Communications Plan had to pivot from in-person meetings and events to virtual meetings and relying on a web-based survey and online open house. Staff is soliciting input from individuals and groups within the City and region who have expertise on policy issues related to homelessness, shelters, housing types, development, etc. A Technical Advisory Group, consisting of local experts, was formed to provide feedback about what they see are the needs and priorities. The group has met once and developed some guiding principles for the project (equity, balance, stability and representation). Staff will continue to meet with the group as the project progresses. The online open house will be used as a vehicle to provide background information and analysis to the public. The web-based survey will invite respondents to prioritize the issues that should be addressed first and what kind of tools might be appropriate to address the issues.
- **Housing Toolkit.** This effort will start with an analysis of Shoreline's existing housing policies and incentives (density bonuses, fee waivers, etc.) to determine their effectiveness in creating quality, affordable housing. It will discuss how to fill in the gaps identified in the Housing Needs Assessment and identify new approaches and best practices that may be relevant to the City's particular housing needs.

It is important to keep in mind that housing is a regional issue that is affected by larger outside forces. The City has a limited ability to influence the larger regional housing market. The City is participating in regional efforts, but it needs to prioritize its own efforts and make the most of the tools available. While they like to use incentives that make the right thing to do the easiest thing to do, they must also acknowledge that there are a limited number of incentives and there are only so many times they can be given away. For example, the City wants to encourage green building, ground floor commercial and affordable housing and it is not possible to give away additional height and reduced parking for each one. They will either add up to create unexpected results or developers will have to choose just one of the goals that works best based on their market analysis. They need to consider how to target the incentives to be most effective, recognizing that there is a limited currency.

It is also important to keep in mind that the code is set up in a way that only regulates density in the residential zones. The City doesn't regulate density in the commercial and mixed-use zones. The idea is to provide flexibility to developers by letting the market determine what gets built and

to what level. Some cities have codes that offer density bonuses, but that won't work in the zones where most of the City's growth is occurring.

- **Review of the Comprehensive Plan Housing Element.** The City's current housing element goals and policies will be re-evaluated and the consultants will draft recommendations for editing and updating the Housing Element to support the direction put forward in the Housing Action Plan.

Ms. Gierloff summarized that the next step will be to gather public input on the different policies and regulatory options in the Housing Toolkit and then begin reviewing the plan with the Commission and City Council this fall. A Planning Commission recommendation to the City Council is anticipated in the spring of 2021, and the final plan will need to be adopted by the City Council no later than June 30, 2021.

Chair Mork commented that she is very excited about the project and delighted that the City is thinking about how to get public participation. This hasn't always been done to a satisfactory level to Shoreline citizens in the past, and she appreciate the emphasis.

Commissioner Rwamashongye said he will be particularly interested in comparing the Housing Needs Assessment that looks out over a 20-year planning period with the current reality of homelessness within the community. He will also be interested to learn how the housing costs have increased compared to increases in the average median income (AMI). It will be important for the Commissioners to have a clear understanding of the current situation and what can be done differently.

Commissioner Lin commented that implementing the Housing Toolkit will be complicated, since it will likely require updates to the goals and policies in the Housing Element in the Comprehensive Plan. She questioned if all of this work can be done by June 30, 2021. Ms. Gierloff clarified that, as per the grant requirements, June 30, 2021 is the deadline for adopting the Housing Action Plan. However, the City doesn't have to complete the Comprehensive Plan changes by that date.

Commissioner Callahan asked staff to provide more context about how the Housing Action Plan relates to other projects on the work plan. Ms. Gierloff explained that the City has chosen to do the Housing Action Plan under the authority of House Bill 1923. She referred to a citizen-initiated amendment related to housing and suggested that it could be folded in as one of the options in the Housing Toolkit. This would allow the Commission to consider the option holistically.

Commissioner Rwamashongye thanked staff for including the race and social justice lens in the analysis and planning process. This is a huge element.

Chair Mork said she is curious about the intersection between the Parks and Recreation Plan and the Housing Action Plan. She explained that many people base their housing choice on whether or not they can have a garden or some outside space. Some thought should be given to this aspect as it relates to the different housing choices.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

REPORTS OF COMMITTEES AND COMMISSIONER ANNOUNCEMENTS

There were no committee reports or Commissioner announcements.

AGENDA FOR NEXT MEETING

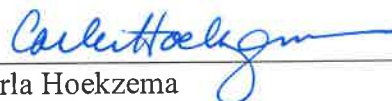
The August 6th meeting agenda will be a work session on ground floor commercial space requirements and other proposed Development Code amendments.

ADJOURNMENT

The meeting was adjourned at 8:35 p.m.



Laura Mork
Chair, Planning Commission



Carla Hoekzema
Clerk, Planning Commission