

**DRAFT**  
**CITY OF SHORELINE**

**SHORELINE PLANNING COMMISSION**  
**MINUTES OF REGULAR MEETING**  
*(Via Zoom)*

December 3, 2020  
7:00 P.M.

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**Commissioners Present**

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

**Staff Present**

Nora Gierloff, Planning Manager  
Andrew Bauer, Senior Planner  
Carla Hoekzema, Planning Commission Clerk

**Commissioners Absent**

Commissioner Lin

**CALL TO ORDER**

Chair Mork called the regular 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 was absent.

**APPROVAL OF AGENDA**

A discussion regarding a new Planning Commission picture was added to the agenda under “New Business.” The remainder of the agenda was accepted as presented.

**GENERAL PUBLIC COMMENT**

There were no general public comments.

**STUDY ITEM: 185<sup>th</sup> STREET STATION SUBAREA PLAN PROGRESS REPORT 2015-2020**

Mr. Bauer reviewed that the 185<sup>th</sup> Street Station Subarea Plan was adopted by the City Council in March of 2015. It establishes the vision for a pattern of compact growth around the Shoreline North Light Rail Station. Development Code amendments and a phased rezoning of the subarea were also adopted in conjunction with the subarea plan. He reminded them that the adopting ordinance requires that the progress on the plan's objectives and development assumptions must be evaluated prior to Phases 2 or 3 taking effect. It also requires a progress report on the mitigation measures of the Planned Action Environmental Impact Statement (EIS). He referred to the progress report that was attached to the Staff Report, which was prepared to satisfy these two requirements prior to the Phase 2 rezoning taking effect in March of 2021. He advised that the report was presented to the City Council on December 1<sup>st</sup>. Staff felt it would be appropriate to present it to the Commission, as well, as the Commission played a significant role in the initial plan development and the recommendation that was ultimately adopted by the City Council. He noted that future work program items that result from the progress report could potentially come before the Planning Commission.

Mr. Bauer reviewed that the subarea is centered around the Shoreline North Light Rail Station at Interstate 5 and 185<sup>th</sup> Street. He shared a map showing the phased zoning areas. He advised that Phase 1 took effect in 2015 and involved about 60% of the total rezone area. Phase 2 will take effect in March of 2021 and will involve about 17% of the total rezone area. Phase 2 will include a substantial number of properties to be rezoned MUR-70', which is the most intensive zone within the station area. He emphasized that the Planned Action EIS completed the upfront environmental review for Phases 1 and 2, but it doesn't extend to the Phase 3 area.

Mr. Bauer advised that the growth data in the report was collected using permit information from March 24, 2015 through September 24, 2020. During this time span there were 371 new units. The number includes all applications that have been filed, regardless of their status, the units that were lost were subtracted out. He shared a graph that breaks down the types of units that were constructed (single-family, apartment, townhome). He noted the significant increase in the number of townhome units in 2019, which may be tied to developers wanting to get vested before the new townhome design standards took effect. There was a substantial dip in application activity in 2020, likely due to the pandemic.

Mr. Bauer shared a map that illustrates where the new units are located within the subarea. It is important to note that there has not been any new development in the MUR-70' zone around the station. This could be due to small lot sizes, which means properties need to be aggregated to facilitate a large enough development to meet the minimum density requirement. Development incentives are in place to encourage development, but they might not be attractive enough to offset the additional cost. Other market factors could be having an impact, as well.

Mr. Bauer said the subarea plan anticipated an annual growth rate of 1.5% to 2.5% per year, which averages to about 57 to 109 units per year. He shared a graph showing the actual growth relative to the upper and lower ranges of the growth projection. Through September 2020, the subarea is averaging about 73 units per year. To date, 164 units have been approved and 142 units are under review. Development activity has remained steady over the five-year period. However, if the graph were extended out into 2021, there would likely be fewer projects under review due to the pandemic.

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Mr. Bauer explained that data shows there is a large number of townhomes being built, which is reflected in the occupancy data. Townhomes are typically owner-occupied units and apartments are rental units. As per the graph, 61% of the new units are owner-occupied and 39% are apartments. This corresponds closely with the citywide trend.

Mr. Bauer advised that there are five new apartment developments in the subarea, totaling approximately 171 units, and 21% are considered affordable. One of the developments utilized the Multifamily Tax Exemption (MFTE) Program. Across all of the developments, parking was constructed at an average of 0.81 stalls per unit, which is consistent with the desired transition into a more walkable and transit-supportive community. Most of the new apartments are 1-bedroom units, and there has not been any new 3-bedroom units. If the trend continues, the City may want to consider ways to encourage a broader mix of unit types within the multifamily housing developments.

Mr. Bauer pointed out that during the initial 5-year period since the subarea plan was adopted there has not been any new commercial development activity. One reason could be that, while converting existing single-family homes is allowed from a zoning standpoint, it is often cost prohibitive because structures must be upgraded to meet current building, fire and American's with Disabilities Act (ADA) regulations. On top of that, the City's Development Code requires stormwater and frontage improvements when changing a use from single-family to commercial. The small lot size might also contribute to the lack of commercial development. He noted that the market assessment that was done when the subarea plan was being developed in 2014 and 2015 anticipated a low demand for commercial development within the subarea, especially in the early years of the plan. Once the light rail station comes on line, the assessment anticipates there will be a greater demand for convenience retail.

Mr. Bauer said the report also looks at how infrastructure is keeping pace with growth. Utilities generally have enough capacity to serve the growth within the subarea, but that doesn't mean that upgrades and improvements aren't needed. For example, water and sewer have a policy that growth must pay for growth. That means that developers are responsible to build any of the improvements that are needed. There are tools to assist with this, such as developer extension agreements or late-comer agreements. For example, if a developer builds a water line extension, he/she could enter into an agreement with the utility district. As other properties take advantage of the new line, the initial developer could be reimbursed a proportional share of the improvements. Electrical lines on 185<sup>th</sup> Street are currently being upgraded to accommodate the rise in demand.

Mr. Bauer shared a graphic that was prepared by Sound Transit to illustrate the transportation and mobility improvements that are planned in and around the 185<sup>th</sup> Street Light Rail Station. The intent is to improve access for vehicles, buses and pedestrians to the light rail stations. He pointed out the two roundabouts at 185<sup>th</sup> Street, the realignment and reconfiguration of 5<sup>th</sup> Avenue, and the pedestrian improvements. He also pointed out the frontage improvements along the station, itself.

Mr. Bauer advised that the 185<sup>th</sup> Street Multimodal Corridor Strategy was completed in 2020 and is a huge milestone in advancing the vision for the subarea. Much of the success of the land-use vision for the subarea hinges on the success of the transportation vision. The strategy establishes a cohesive vision for the 185<sup>th</sup> Street Corridor. While there is no Capital Improvement Plan (CIP) funding for the improvements

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at this time, the vision has been identified. At a minimum, there will be incremental improvements on the corridor as development comes on line. Hopefully, at some point, the City will be able to take on broader capital improvement projects to build out larger segments of the corridor.

Mr. Bauer said the Parks, Recreation and Open Space (PROS) Plan anticipates about 43 acres of new park space needed to serve the subarea. The 185<sup>th</sup> Street Multimodal Corridor Strategy identifies four sites on the corridor that could be used for parks, gathering places and/or place-making opportunities. Further planning and acquisition are already underway for each of the four sites identified in the plan to help serve the demand for parks and open space within the subarea.

Mr. Bauer summarized that, overall, growth is tracking with the assumptions (1.5% to 2.5%) in the plan. They will have to wait and see how the impacts associated with the pandemic play out over the coming months and potentially years. Capital investments in the area are keeping pace with actual growth and development, but there are always opportunities for improvement. It is important to keep in mind this is a long-range plan that will be implemented over decades. They are just five years into the plan, so there is a lot of opportunity to make meaningful refinements as they balance the goals and objectives of the original plan.

Mr. Bauer explained that the report identifies topics based on early trends that may lend themselves to future work program items. The City Council will be talking more about these topics at their future work planning sessions. Some may result in Development Code and Comprehensive Plan amendments that would come before the Planning Board for review, a public hearing and a recommendation to the City Council. These potential topics include:

- **Development Incentives.** The Board could be asked to further analyze the development incentives and the corresponding public benefits to identify imbalances between the two, as well as ways to bring them into alignment. An imbalance between the incentives that are offered to developers versus the benefits and requirements put on developers might be one reason there hasn't been any development in the MUR-70' zone.
- **Property Aggregation.** The Board may be asked to consider methods to encourage more property aggregation to facilitate larger-scale development. The existing small-lot development pattern throughout the subarea could be a contributing factor to the lack of commercial development and development in the MUR-70' zone.
- **Parking Requirement.** The Board may be asked to review the minimum parking requirements, as well as other parking policies. The City is already collecting on-street parking data, which will help establish a good baseline condition prior to the light rail station going on line.
- **Single-Family Residential Conversion.** Converting single-family residential units to commercial uses can be cost prohibitive, and the Board may be asked to review the obstacles and identify potential refinements that could open the door for more conversions.
- **Multifamily Tax Exemption (MFTE) Program.** Currently, eligibility for this program applies only to development in the MUR-45' and MUR-70' zones in the Phase 1 area, and it is set to expire at the end of 2021. The Board will likely be asked to review a potential extension and/or expansion of this program.
- **Strategic Planning for Catalyzing Development.** The Board may be asked to consider ways to catalyze some high-quality development. For example, if there is an area that needs significant

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upfront investment with infrastructure, the City could consider opportunities for partnerships to facilitate the initial infrastructure investment to help catalyze development at a larger scale.

Vice Chair Malek asked staff to provide the PowerPoint presentation to the Commissioners. He also asked why a progress report hasn't been prepared for the 145<sup>th</sup> Street Station Subarea Plan, as well. Mr. Bauer answered that the progress report for the 185<sup>th</sup> Street Station Subarea Plan was required in the adopting ordinance prior to moving forward with Phase 2. The phasing for the 145<sup>th</sup> Street Station Subarea Plan is different. While the adopting ordinance for the 145<sup>th</sup> Street Station Subarea doesn't require a progress report, staff will likely prepare a similar report next year.

Commissioner Galuska asked about the expected source of funding for improvements on the 185<sup>th</sup> Street Corridor since no CIP funding has been identified to date. Mr. Bauer responded that the City is in the early stages of updating the Transportation Master Plan (TMP), and it is anticipated that the cost of the 185<sup>th</sup> Street Corridor improvements will be incorporated into the Transportation Impact Fee calculation. The 185<sup>th</sup> Street Corridor was not identified as a project when the TMP was last updated. Now that the 185<sup>th</sup> Street Corridor Multimodal Strategy has been completed, the City has something more tangible to incorporate into the CIP and go after potential funding opportunities.

Commissioner Galuska requested more information about the "multimodal level of service" concept. Mr. Bauer explained that, rather than just looking at level of service from a vehicle standpoint, the idea is to take a more holistic view that includes other modes of transportation. The report acknowledges that it will come down to a policy decision by the City Council as to whether or not they are willing to accept a certain level of congestion to facilitate a certain type of street character.

Commissioner Sager asked if the City is concerned that nothing has happened thus far in the MUR-70' zone. She also asked if there have been any inquiries about potential development in this zone. Mr. Bauer said there has been a steady stream of pre-application meetings within the subarea, but he doesn't recall specifically which zones the proposed developments would be located in. He suggested that the fact that there has been no development in the MUR-70' zone could be looked at from both a positive or negative viewpoint. Ms. Gierloff pointed out that the City doesn't want to see a lot of low-density townhouses being developed in the area adjacent to the station, so perhaps it is good to wait for the larger projects to come forward. A variety of issues have been raised in the pre-application meetings, ranging from site-specific concerns such as the cost of doing storm drainage to the larger development regulation questions. The City Council has expressed an interest in exploring some of these issues further.

Commissioner Rwamashongye asked if the City has considered acquiring some of the surplus property that will become available after Sound Transit completes construction. Ms. Gierloff said some developers have purchased property adjacent to the right-of-way and have expressed an interest in aggregating. Some of these parcels are small, but aggregation can create developable sites.

Commissioner Callahan asked where the occupancy data that was provided in the report came from. Mr. Bauer answered that, for the purposes of the report, the numbers are based on how the units were established. For example, fee-simple townhome units were placed in the owner-occupied category and apartments in the rental-occupied category. Going forward, he suggested it would be helpful to get more specific data. The citywide trend he shared earlier was based on 2018 census data.

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Commissioner Callahan asked what type of information would be required for the City to complete a more detailed parking needs assessment. She noted the trend of promoting car-free living and car-sharing. She suggested there are a number of potential opportunities, and it would behoove the City to study the issue more. Mr. Bauer said that, based on the progress report, staff doesn't have any specific recommendations on where to go next with parking. The City is currently collecting on-street parking data, which will help inform future decision making. However, parking is a broad topic that involves how the City regulates both on-street and on-site parking. Changing the regulations for one will impact the other. As parking evolves, they will also need to factor in the addition of high-capacity transit.

Chair Mork recalled that when the Planning Commission worked on the 185<sup>th</sup> Street Station Subarea Plan, there were four aspects that garnered a lot of attention:

1. **Multimodal Transportation and Parking.** The City's Transportation Engineers provided assistance in the discussions related to the multimodal and parking aspects of the plan. If the Commission has an opportunity to spend more time on the subarea plan, she would like to hear from them again.
2. **Multifamily Tax Exemption (MFTE) Program.** She appreciates the data provided by staff in the progress report.
3. **MUR-70' Zone and Development Agreements.** This issue was discussed at length, particularly opportunities to incentivize development.
4. **Green Development.** The Commission spent a lot of time discussing the green aspects of the plan, and certain green elements were mandatory. She would have liked the progress report to provide data on how much environmental improvement resulted from the new construction that incorporated the required green elements.

Mr. Bauer responded that some key data indicators have been collected in conjunction with the Climate Action Plan, and staff could coordinate with that team to incorporate the data into the subarea scale. Chair Mork emphasized that the Commissioners were all committed to the green aspects of the plan, and she would like the progress report to include data showing the impact of these actions.

Mr. Bauer explained that the City Council will conduct a strategic planning workshop in early 2021, and they have expressed an interest in continuing their discussion on some of the topics at that time. Once the City Council has prioritized the work plan, staff will have a better idea of what the next steps will be.

### **UNFINISHED BUSINESS**

There was no unfinished business.

**NEW BUSINESS**

**Planning Commission Picture**

Chair Mork noted that there are a number of new Planning Commissioners, and it is time to update the group picture that is provided on the City's website. However, they will need to utilize an alternative method since the pandemic prevents them from getting together. They agreed that staff would take a zoom picture of the Commissioners at the next meeting and post it on the Planning Commission Page.

**REPORTS OF COMMITTEES AND COMMISSIONER ANNOUNCEMENTS**

There were no committee reports or Commissioner announcements.

**AGENDA FOR NEXT MEETING**

Ms. Gierloff announced that the next meeting (December 17<sup>th</sup>) will be a public hearing on the draft Community Renewal Area Sign Code Amendments. Staff will also provide follow-up information the Commissioners requested regarding the Housing Action Plan.

**ADJOURNMENT**

The meeting was adjourned at 7:52 p.m.

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Laura Mork  
Chair, Planning Commission

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Carla Hoekzema  
Clerk, Planning Commission