

6b. Staff Report - MUR 70' Zone Development Regulations Discussion

Planning Commission Meeting Date: December 2, 2021

Agenda Item: 6b.

PLANNING COMMISSION AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: MUR-70' Zone Development Regulations Discussion

DEPARTMENT: Planning & Community Development

PRESENTED BY: Andrew Bauer, Planning Manager

Public Hearing

Study Session

Recommendation Only

Discussion

Update

Other

INTRODUCTION

On October 25, 2021, a joint meeting was convened between the City Council and Planning Commission with the following objectives:

1. Have an in-depth discussion of the MUR-70' zone and issues that may be constraining development; and
2. Provide clear direction to staff for development of a workplan that includes Development Code amendments for consideration and potential action in the second quarter of 2022.

Tonight's meeting will provide an opportunity for the Planning Commission to "debrief" on what was discussed at the October 25th joint meeting as well as to continue discussion and provide direction to staff to develop draft amendments to the regulations for consideration in early 2022.

BACKGROUND

Generally speaking, the light rail station subarea plans are performing as anticipated through the first 6+ years since adoption. Many of the challenges to development identified in the plans are playing out, such as aggregating several small lots into sites large enough to accommodate the scale of development envisioned – particularly in the MUR-70' zone where the highest density development is allowed. However, it is important to note these are long-range plans intended to be implemented over decades. Included in Attachment A is a case study of Orenco Station in Hillsboro, Oregon which is 25-years into its transformation.

The core elements of the plans and the MUR-70' zone continue to be aligned with the City's broader goals and priorities such as creating housing choices affordable to a range of household income levels and supporting sustainability goals through green building.

Approved By: Project Manager _____ Planning Director _____

6b. Staff Report - MUR 70' Zone Development Regulations Discussion

As with any plan, refinements and updates are periodically needed based on observed outcomes and feedback provided. The purpose of Development Code amendments would be to refine the code to facilitate better development outcomes in the MUR-70' zone.

MUR-70' Zone

The October 25, 2021 staff report to the Council and Planning Commission provides a summary of the MUR-70' zone and the development standards. The October 25th report can be viewed at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2021/staffreport102521-8a.pdf>.

As previously noted, there is continued developer interest in MUR-70' zoned properties. Below is an update of the five projects in the MUR-70' zone:

- 7-story mixed use building with 252 units, 2,501 square feet of ground floor commercial, and structured parking directly adjacent to the Shoreline South/148th Station. Permit applications were filed on September 24, 2021.
- 6-story multifamily building with 482 units with structured parking located at the intersection of NE 145th Street and 1st Avenue NE. A pre-application meeting was held in March 2021 and discussions with the applicant continue.
- 6-story multifamily building with 161 units and structured parking located at the NE corner of 5th Ave NE and NE 148th St. An Administrative Design Review (ADR) application was approved in November 2021.
- 7-story mixed use building with 238 units, 2,275 square feet of ground floor commercial, and structured parking located on four existing parcels approximately at 140 NE 145th Street. An ADR was approved in October 2021.
- 7-story mixed use building with 240 units, ground floor commercial, and structured parking located on a six-lot assemblage north of the Shoreline North/185th Station. An ADR application was filed on October 5, 2021 and construction permit applications are anticipated to follow issuance of a decision on the ADR.

DISCUSSION

The topic areas presented by staff for discussion at the October 25th joint meeting included:

1. Parking standards
2. Catalyst development incentives
3. Development agreement process and building height

Below is a brief summary of the October 25th discussion on each topic:

Parking Standards

Some of the joint meeting attendees indicated the current 25% parking reduction available to development within ¼ mile of the light rail stations was adequate, while others seemed open to exploring further reductions if appropriate conditions or

6b. Staff Report - MUR 70' Zone Development Regulations Discussion

performance standards were put into place. For example, measures should be considered to help mitigate or offset parking impacts on nearby streets.

There was consensus that eliminating minimum parking requirements in the MUR-70' zone should not be an option for consideration.

Catalyst Development Incentives

The concepts behind the catalyst developments are multi-faceted and would entail defining what qualifies as a catalyst development (e.g. number of units) and the thresholds for either how long the catalyst development provisions are effective or how many developments should be able to utilize them before expiring.

The primary goal of the catalyst development incentives would be to encourage early MUR-70' zone developments by waiving or modifying development standards such as parking, impact fees, building height, etc. It should be noted there may be multiple developments underway by the time catalyst development provisions would be adopted.

During the October 25th discussion there was interest in having more analysis to accompany any amendments that would further waive or credit impact fees. Other commentors on the catalyst development incentives noted that if provisions are created the thresholds should encourage large-scale developments by having a high minimum unit count to be eligible.

Going beyond the potential provisions identified in the staff report, there was mention of exploring opportunities for infrastructure improvements such as stormwater, sewer, water, etc. as a way to catalyze development. Infrastructure improvements would be an effort that would need to occur outside the purview of the Development Code.

Development Agreement Process and Building Height

As currently structured, a development agreement is required to achieve the maximum 140' height in the MUR-70' zone. As part of the development agreement, several additional requirements must be met. See SMC 20.30.355.D for development agreement requirements for MUR-70' at the following link:

<https://www.codepublishing.com/WA/Shoreline/#!/Shoreline20/Shoreline2030.html#20.30.355>.

During the October 25th discussion there were some that noted the highest priority requirements of the development agreement should be codified and the requirement for a development agreement could be removed as a way to reduce time and uncertainty for development. Heights above 70' would become allowed by right. Others noted that based on developer feedback the current market appears to not be able to support heights over 70 feet (7 stories) due to the change of construction type from wood frame to steel.

Other Discussion Notes and Observations

In addition to the topics above, there were other comments summarized below:

6b. Staff Report - MUR 70' Zone Development Regulations Discussion

- The subarea plans anticipated some development would not come until after the stations open and any amendments should not compromise on core goals of the City or subarea plans.
- There should be emphasis on placemaking and marketing that would attract employers and new residents with a particular focus on the “creative economy.”

Key Takeaways

- If further parking reductions are considered, there should be conditions to potential offset impacts. Elimination of minimum parking requirements should not be an option.
- If impact fee waivers are considered, more analysis is needed to understand the impacts to the City.
- If additional height above 70' without a development agreement is considered, the most meaningful development standards should be included as requirements and the development agreement process be revised to be no longer needed to achieve heights over 70'.
- Amendments should not be considered that would compromise or be contrary to core goals of the City or subarea plans.

Discussion Questions

Below are questions for Planning Commission consideration for tonight's meeting:

1. Which topics discussed could be most meaningful in facilitating better development outcomes in the MUR-70' zone?
2. Of the topics discussed at the October 25th meeting and highlighted above, what should be advanced to include as part of the Development Code amendments?
3. If further parking reductions are allowed, what types of conditions should be considered (e.g. transit passes to residents, bike/car share options, etc.)?
4. If an increased height allowance is allowed, what should be taken into consideration as a condition of increased height?

NEXT STEPS

With direction and feedback from the Planning Commission tonight, staff will begin to identify potential Development Code amendments. Outreach to the Developer Stakeholder Group and other stakeholders will be explored as a way to get feedback on draft amendments. Staff anticipates coming back to the Planning Commission with draft amendments for consideration in the first part of 2022.

RECOMMENDATION

There is no staff recommendation at this time. Staff is seeking direction on potential MUR-70' Development Code amendments for future consideration.

ATTACHMENTS

Attachment A – Orenco Station Case Study

PSQ (/publicsquare)



DESIGN (/PUBLICSQUARE/CATEGORY/DESIGN)

A 25-year laboratory of suburban transformation

Orenco Station in Hillsboro, Oregon, is a model for more sustainable suburbs and regions.

ROBERT STEUTEVILLE (/node/538) JUL. 8, 2021



(<http://www.facebook.com/sharer/sharer.php?u=https%3A//www.cnu.org/node/8673&title=A%2025-year%20laboratory%20of%20suburban%20transformation>)



(<http://twitter.com/intent/tweet?status=A%2025-year%20laboratory%20of%20suburban%20transformation%2Bhttps%3A//www.cnu.org/node/8673>)



(<http://www.linkedin.com/shareArticle?mini=1&url=https%3A//www.cnu.org/node/8673&title=A%2025-year%20laboratory%20of%20suburban%20transformation&source=https%3A//www.cnu.org>)



(<mailto:?subject=Check%20out%20A%2025-year%20laboratory%20of%20suburban%20transformation&body=https%3A//www.cnu.orgpublicsquare/2021/07/08/25-year-laboratory-suburban-transformation>)

I first visited Orenco Station in 2000, when it was one of the most talked-about transit-oriented developments (TODs). Back then, few prominent TOD examples existed anywhere in the US. Now they are much more common.

My impression of Orenco was that of decent New Urbanism, but not good TOD. Arriving at Hillsboro, a western suburb of Portland, I walked a quarter-mile of empty space before I arrived at the development.

I understood that more development was to come, but it seemed like a faraway dream. Would this suburban example of New Urbanism ever be fully connected to transit? Would it work as a place? In the last two decades, that question has been definitively answered. Arrivals and departures at the Hillsboro station do so in urbanism as dense and lively as many a compact big city neighborhood.



Outdoor market. Source: Michael Mehaffy

The 150-acre new neighborhood is now one of the biggest and most fully realized examples of TOD in the US. Orenco has a wide range of civic sites and buildings, including public parks, a neighborhood post office, an adjacent church, two adjacent schools, and the light rail station. It is also adjacent to major employment, an Intel microchip factory that has been there since the 1980s. The population is close to 5,000, with shops, restaurants, and other businesses including a grocery store. It is a good example of a “15-minute city” in a suburb.

As someone who has watched this project since its inception, it’s great to see this project completed on schedule in 2018 and maturing, with a nice canopy of trees. Those of us in the business of urbanism know that it takes a generation to build something meaningful—but when a significant increment is complete, it can serve people for centuries.

And yet the completion of Orenco has more relevance than that, according to Michael Mehaffy, Orenco Station project manager and one of the development's driving forces. "To put it colloquially, Orenco Station 'got it done' to a level that is still too rare," Mehaffy says. "Orenco Station is not only an individual TOD development, but a notably successful part of a larger regional 'polycentric' planning effort."



A key strategy of the Portland regional approach has been to rezone land adjacent to light rail stations to create new mixed-use, transit-oriented development. "In several prominent cases, the station areas have been designated as mixed-use town centers, following the New Urbanist program of well-connected, pedestrian-friendly streets and a diverse mix of housing, retail, and civic uses," he says. "Orenco Station emerged as the most prominent laboratory in that regional experiment, in part because it offered a (remarkably successful) real-world test of a great many specific aspects of that program."

Among the achievements in Orenco, according to Mehaffy:

- A pedestrian axis to the light rail station, providing a framework for a network of alley-loaded, pedestrian-friendly streets.
- A walkable town center of mixed-use shops, services and residential.
- "Liner" buildings with limited on-street parking and parking lots tucked behind.
- A range of housing types and prices, which at the outset spanned from \$79,000 to over \$500,000, as well as rental units.

- Construction of accessory dwelling units and live-work units.
- Much higher density than is usual for a suburb, up to 100 units per acre on individual building sites.
- An early form-based code.

Att. A - MUR 70" Zone

The project continued to innovate throughout its more than 20-year buildout, Mehaffy notes—the later stages included three affordable housing developments, bicycle infrastructure, solar panel systems, a farmer’s market, three community gardens, transportation demand management, and more.



Accessory dwelling units. Source: Michael Mehaffy

Of all the new urbanist projects, Orenco is one of the most studied from a sociological standpoint. Bruce Podobnik of Lewis & Clark College studied Orenco Station in 2012, and found that residents walk to the store and use transit more than typical suburbanites—and they report a stronger sense of community. Fifty percent of residents walk to the store at least five times a week. In a conventional suburb that was studied for comparison, two-thirds of residents never walk to the store.

All of this validates Orenco Station as a proving ground of suburban transformation. “Orenco Station has shown that major shifts are possible within sprawling suburban locales, to create market-facing, appealing, and successful new models of walkable mixed use,” Mehaffy says.

Robert Steuteville is editor of Public Square: A CNU Journal and senior communications adviser for the Congress for the New Urbanism. **Att. A "MUR 70" Zone**



(/publicsquare/author/robert-steuteville)

ALSO ON CNU

Transect-based plan and code for rural ...

12 days ago · 1 comment

Groveland, a rapidly developing small city 30 miles west of Orlando, ...

Federal and state code reform heats up

3 months ago · 1 comment

Significant programs and legislation may set the stage for local code reform ...

The power of cute, affordable townhouses

3 months ago · 5 comments

We need more ways to build uncomplicated affordable housing in cities and ...

Transit-oriented developm

a month ago ·

American Jc provisions th down unnec

N Join the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS

Name

N [Michael Mehaffy](#) • 4 days ago • edited

One last point about the empty space you found in 2000, Rob. That was a tough problem - the light rail should have been closer to the main arterial, Cornell Road. But we inherited that problem, and made the difficult decision to start at the arterial, NOT the light rail station. We foresaw that the market would develop over time, and we could do a second center at the station as it did so -- a "barbell" plan as I referred to it. That happened, exceeding our wildest dreams. By comparison, The Round, just down the line, was built right on the rail line at the outset - and it went into bankruptcy... twice. (In spite of \$8 million in city investment, compared to our city investment of zero.) Lesson: Plan incrementally over time. What you can do tomorrow may be much more than you can do today, if you plan carefully. Time can be a powerful tool for urbanism.

| • Reply • Share ›

N [Robert Steuteville](#) Mod → [Michael Mehaffy](#) • 3 days ago

Thanks, Michael. It's good to hear those stories. Retail on the arterial makes more sense than retail on the light rail stop initially.

| • Reply • Share ›

N [Michael Mehaffy](#) • 4 days ago • edited

Thank you, Rob. I think a key lesson is that it's possible to set ambitious regional urban goals (in this case at the state level as well as the regional level) and achieve them through multi-sector partnerships. And another point is that a more "polycentric" approach (building a network of walkable, mixed, connected suburban neighborhoods) is probably key to opening up more locales for supply to meet demand, easing pressure on home prices. What hasn't worked is the "build baby build" approach in the cores alone. (I highly recommend Patrick Condon's new book on this subject, "Sick City: Disease, Race, Inequality, and Urban Land.")

About ([publicsquare/about](#)) | Facebook (<https://www.facebook.com/newurbanism>) | Twitter (<https://twitter.com/newurbanism>)

Public Square: A CNU Journal | [Congress for the New Urbanism](#)