ORDINANCE NO. 986

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON ADOPTING INTERIM REGULATIONS REQUIRING GROUND FLOOR COMMERCIAL SPACE IN NEW MULTIFAMILY DEVELOPMENT WITHIN CERTAIN ZONING DISTRICTS AND SUPERCEDING CERTAIN EXISTING REGULATIONS FOR A DURATION OF SIX MONTHS.

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the State of Washington, and planning pursuant to the Growth Management Act, chapter 36.70A RCW; and

WHEREAS, RCW 35A.63.220 and RCW 36.70A.390 authorize the City of Shoreline to adopt interim regulations with a duration of no more than six (6) months without review and recommendation by the Shoreline Planning Commission, and without holding a public hearing; and

WHEREAS, the City Council established 2023-2025 City Council Goal No. 1, which seeks to strengthen Shoreline's economic climate and opportunities by enhancing the local economy, providing jobs, and supporting lifestyle amenities that the community desires and expects; and

WHEREAS, the City's 2018-2023 Economic Development Strategic Plan calls for increasing the inventory of business spaces to enrich the overall climate of Shoreline and to make Shoreline a more attractive place to live, invest, and conduct business; and

WHEREAS, the King County Urban Growth Capacity Report recommended that Shoreline take reasonable measures to increase employment capacity and set a 2044 job target for Shoreline of 10,000 jobs; and

WHEREAS, in 2020, the City Council adopted Ordinance No. 901, enacting SMC 20.40.465 which requires ground floor commercial space but only in certain areas of the North City and Ridgecrest neighborhoods; and

WHEREAS, Shoreline has seen a volume of multi-family developments being reviewed, permitted, and construction in the Mixed Use Residential, Town Center, and other commercial zoning districts over the past few years, however, despite the volume of residential units, Shoreline has not seen a correlating volume of commercial space in these areas that could provide retail services to the residents of those developments and also create a vibrant, walkable community; and

WHEREAS, currently there are approximately 36 multifamily projects planned within Shoreline, yet only eight (8) are intending to provide ground floor commercial — mainly because of the limited commercial mandate applicable only within the North City and Ridgecrest areas and the separate requirements of a development agreement. The projects providing commercial voluntarily are only providing a small square footage in their respective projects; and

WHEREAS, currently commercial development is not as lucrative as residential, due to the competition for developable land. Without development regulations mandating commercial space, the City is losing a valuable opportunity to provide the services to residents of a growing city that will not be recovered during the life of the building; and

WHEREAS, the City Council considered the interim regulations at its properly noticed May 22, 2023, and June 5, 2023, regular meetings with a public hearing also held at the May 22, 2023, meeting; all meetings were held in a hybrid format providing in-person and remote public participation; and

WHEREAS, pursuant to SEPA, the City issued a Determination of Non-Significance on May 5, 2023; subsequent SEPA review will occur if the City elects to replace these interim regulations with permanent regulations, and if required, based on any redevelopment proposals; and

WHEREAS, the City Council has determined that the use of the interim regulations to mandate commercial space on the ground floor of new multifamily development within the Neighborhood Business (NB), Commercial Business (CB), Mixed Business (MB), Town Center 1 (TC-1), Town Center 2 (TC-2), Town Center 3 (TC-3), and Mixed Use Residential 70' (MUR-70') zoning districts is appropriate and necessary due to the need to preserve the opportunity for commercial uses to provide services to the City;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Findings of Fact. The foregoing whereas provisions are incorporated in their entirety as findings of fact for the matter.

Section 2. Enactment of Interim Regulations.

- A. The Interim Regulations for Ground Floor Commercial as set forth in *Exhibit A* to this Ordinance are hereby enacted and supersede the codified regulations set forth in SMC 20.40.465 for the duration this Ordinance is in effect.
- B. The Interim Regulations as set forth in *Exhibit B* to this Ordinance are hereby enacted and supersede certain codified regulations set forth in Table SMC 20.40.120 Residential Uses, Table 20.40.160 Station Uses, and Table Exceptions for SMC 20.50.020.
- **Section 3. Public Hearing.** Pursuant to RCW 35A.63.220 and RCW 36.70A.390, the City Council held a public hearing on May 22, 2023, to take public testimony concerning the interim regulations.

Section 4. Directions to the City Clerk.

A. Transmittal to the Department of Commerce. The City Clerk is hereby directed to cause a certified copy of this Ordinance to be provided to the Director of Planning and Community Development who shall transmit the Ordinance to the Washington State Department of Commerce within ten (10) calendar days of passage as provided in RCW 36.70A.106.

- B. Corrections by the City Clerk. Upon approval of the City Attorney, the City Clerk is authorized to make necessary corrections to this Ordinance, including the correction of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.
- C. Ordinance not to be Codified. This Ordinance adopts interim regulations, therefore, the City Clerk shall not codify this Ordinance.

Section 5. Vesting. Except for properties located in the North City and Ridgecrest areas, development projects for which a complete building permit application has not yet been filed with the City but have engaged in a pre-application after January 1, 2021 but before May 22, 2023, for a multifamily or mixed-use project that would be subject to these interim regulations, shall not be subject to these interim regulations if those development projects file a complete building permit application no later than December 31, 2024. Compliance is encouraged but optional for projects not subject to these interim regulations.

Section 6. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to any person or situation.

Section 7. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall become effective five (5) calendar days after publication.

Section 8. Duration. This Ordinance shall be in effect for a period of six (6) months from its effective date. After which, these interim regulations shall automatically expire unless extended as provided by statute or otherwise superseded by action of the City Council, whichever occurs first.

ADOPTED BY THE CITY COUNCIL ON JUNE 5, 2023.

Mayor Keith Scully

ATTEST:

APPROVED AS TO FORM:

Margaret King City Attorney

Date of Publication:

June 8, 2023

Effective Date:

June 13, 2023

20.40.465 Multifamily - Ground Floor Commercial.

A. Applicability.

- 1. General applicability. With the exception of subsection A(2) below, this section applies to new multifamily development on all properties zoned TC-1, TC-2, TC-3, NB, CB, MB, and MUR-70'.
- 2. Applicability in North City and Ridgecrest. For new multifamily development on properties zoned CB within the North City and Ridgecrest areas, this section applies only to those areas indicated and shown in Figure 20.40.465(A) "Ground Floor Commercial Required."
- 3. This section is in addition to and supplements the standards in Chapter 20.50 SMC, Subchapter 4, Commercial and Multifamily Zone Design.

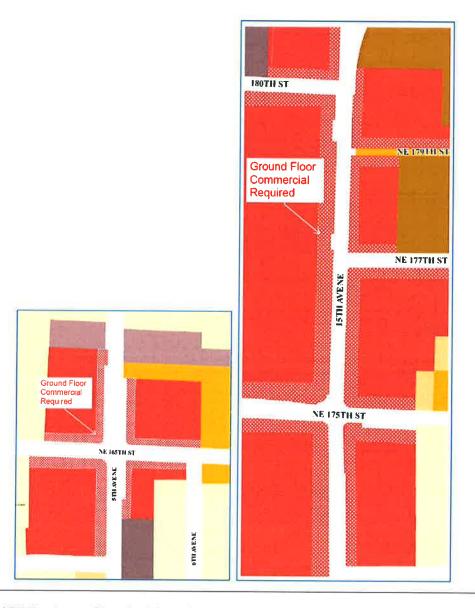


Figure 20.40.465(A) - Areas of Required Ground-Floor Commercial in North City and Ridgecrest

B. Location and Uses.

- 1. Commercial space shall be constructed, and commercial use required, in those portions of a building's ground floor abutting a public right-of-way (ROW) in all new multifamily buildings except as follows:
 - a. For properties zoned TC-4, MUR-35', and MUR-45', only the portion of a building's ground floor abutting an arterial ROW; and
 - b. For properties in North City and Ridgecrest, only the portion of a building's ground floor abutting a ROW as shown in Figure 20.40.465(A) is required to have commercial space.
- 2. Subject to an applicable permit type, required commercial space may be used for any use allowed in the applicable zone in Table 20.40.130 Nonresidential uses; Table 20.40.140 Other uses and Table 20.40.160 Station Area Uses Commercial, except adult use facilities, marijuana operations retail and the following general retail trade/services: check-cashing services and payday lending, pawnshop, and tobacco/vape store. Residential dwelling units are not allowed in required ground floor commercial spaces.

C. Parking.

- 1. New multifamily development subject to this section is eligible for the parking reductions available in SMC 20.50.400.
- 2. In order to accommodate a range of tenants, the required parking ratio for any ground floor commercial space shall be one (1) parking stall per 400 square feet of floor area. Square footage refers to net usable area and excludes walls, corridors, lobbies, bathrooms, etc.

D. Commercial Space Design.

- 1. The minimum space dimension for ground floor commercial spaces shall be 12-foot height, measured from finished floor to finished ceiling, and with a depth of no less than 20-foot, measured from the wall abutting the ROW frontage to the rear wall of the commercial space.
- Commercial space shall be built to the applicable commercial standards in the International Building Code, as adopted by Chapter 15.05 SMC.

E. Height Incentive.

New multifamily development subject to this section is eligible for an additional eight (8) feet in height. The eight (8) feet is considered base height and shall be measured in accordance with SMC 20.50.050.

- F. Preferred Commercial Use. Eating and Drinking Establishment-ready is a preferred use in ground floor commercial spaces.
 - 1. Eating and Drinking Establishment-ready spaces are to be constructed to accommodate these uses by including the following components:
 - a. ADA-compliant bathrooms (common facilities are acceptable);
 - b. A central plumbing drain line;
 - c. A grease interceptor; and
 - d. A ventilation shaft for a commercial kitchen hood/exhaust.
 - 2. The following incentives are available when a preferred commercial use is constructed:



- a. A ten (10) feet height bonus. The ten (10) feet is considered base height and shall be measured in accordance with SMC 20.50.050; and
- b. An increase in the maximum hardscape allowed in the applicable zoning district by five (5) percent.



20.40.120 Residential uses.

Table 20.40.120 Residential Uses

NAICS#	SPECIFIC LAND USE	R4-R6	R8-R12	R18- R48	TC-4	NB	СВ	MB	TC-1,
RESIDENT	TAL GENERAL				•	-tc			
	Accessory Dwelling Unit	P-i	P-i	P-i	P-i	P-i	P-i	P-i	P-i
	Affordable Housing	P-i	P-i	P-i	P-i	P-i	P-i	P-i	P-i
	Home Occupation	P-i	P-i	P-i	P-i	P-i	P-i	P-i	P-i
	Manufactured Home	P-i	P-i	P-i	P-i				
	Mobile Home Park	P-i	P-i	P-i	P-i				
	Multifamily		С	P	P	P <u>-i</u>	P-i	P-i	P <u>-i</u>
	Single-Family Attached	P-i	P	P	P	P			
	Single-Family Detached	P	P	P	P				
GROUP RE	SIDENCES				Ų				
	Adult Family Home	P	P	P	P				
	Assisted Living Facility		С	P	P	P	P	P	P
	Boarding House	C-i	C-i	P-i	P-i	P-i	P-i	P-i	P-i
	Residential Care Facility	C-i	C-i	P-i	P-i				
/21310	Donnitory		C-i	P-i	P-i	P-i	P-i	P-i	P-i
TEMPORA	RY LODGING				1			Li-	
721191	Bed and Breakfasts	P-i	P-i	P-i	P-i	P-i	P-i	P-i	P-i
	Enhanced Shelter							P-i	
	Homeless Shelter						P-i	P-i	P-i
72111	Hotel/Motel						P	P	P
	Recreational Vehicle	P-i	P-i	P-i	P-i	P-i	P-i	P-i	
/ISCELLA	NEOUS						1	1	1
	Animals, Small, Keeping and Raising	P-i	P-i	P-i	P-i	P-i	P-i	P-i	P-i



NAICS#	SPECIFIC LAND USE	R4-R6	R8-R12	R18- R48	TC-4	NB	СВ	MB	TC-1, 2 & 3
P = Permitted Use		S = Special Use							
C = Conditional Use				-i = Inde	xed Suppl	emental C	Criteria		

20.40.160 Station area uses.

Table 20.40.160 Station Area Uses

NAICS#	SPECIFIC LAND USE	MUR-35'	MUR-45'	MUR-70'
RESIDENTI	AL			
	Accessory Dwelling Unit	P-i	P-i	P-i
	Adult Family Home	P		
	Affordable Housing	P-i	P-i	P-i
	Apartment-Multifamily	P	P	P <u>-i</u>
	Bed and Breakfast	P-i	P-i	P-i
+	Boarding House	P-i	P-i	P-i
	Home Occupation	P-i	P-i	P-i
	Hotel/Motel			P
	Live/Work	P (Adjacent to Arterial Street)	P	P
	Microhousing			
	Residential Care Facility	C-i		
	Single-Family Attached	P-i	P-i	
4.	Single-Family Detached	P-i		
COMMERC	IAL			7.5
	Book and Video Stores/Rental (excludes Adult Use Facilities)	P (Adjacent to Arterial Street)	P (Adjacent to Arterial Street)	P
	Brewpub	P (Adjacent to Arterial Street)	P (Adjacent to Arterial Street)	P
	House of Worship	С	С	P
	Daycare I Facilities	P	P	P



NAICS#	SPECIFIC LAND USE	MUR-35'	MUR-45'	MUR-70'
	Daycare II Facilities	P	P	P
	Eating and Drinking Establishment (excluding Gambling Uses)	P-i (Adjacent to Arterial Street)	P-i (Adjacent to Arterial Street)	P-i
	General Retail Trade/Services	P-i (Adjacent to Arterial Street)	P-i (Adjacent to Arterial Street)	P-i
	Individual Transportation and Taxi			P -A
	Kennel or Cattery			C -A
	Marijuana Operations – Medical Cooperative	P	P	P
	Marijuana Operations – Retail			
	Marijuana Operations – Processor			
	Marijuana Operations – Producer			
	Microbrewery		P (Adjacent to Arterial Street, cannot abut R-6 zone)	P
	Microdistillery		P (Adjacent to Arterial Street, cannot abut R-6 zone)	P
	Mini-Storage		C -A	C-A
	Professional Office	P-i (Adjacent to Arterial Street)	P-i (Adjacent to Arterial Street)	P
	Research, Development and Testing			P-i
	Veterinary Clinic and Hospital			P-i
	Wireless Telecommunication Facility	P-i	P-i	P-i
UCATION	N, ENTERTAINMENT, CULTURE, AND RECREATION	N		
	Amusement Arcade		P-A	P-A
	Bowling Center		P-i (Adjacent to Arterial Street)	P
	College and University			P
	Conference Center		P-i (Adjacent to Arterial Street)	P
	Elementary School, Middle/Junior High School	С	С	P
	Library		P-i (Adjacent to Arterial Street)	P



NAICS#	SPECIFIC LAND USE	MUR-35'	MUR-45'	MUR-70'
	Museum		P-i (Adjacent to Arterial Street)	P
	Parks and Trails	P	P	P
	Performing Arts Companies/Theater (excludes Adult Use Facilities)		P-A	P-A
4.	School District Support Facility		С	С
	Secondary or High School	С	С	P
	Specialized Instruction School		P-i (Adjacent to Arterial Street)	P
	Sports/Social Club		P-i (Adjacent to Arterial Street)	P
	Vocational School		P-i (Adjacent to Arterial Street)	P
OVERNM	ENT			
	Fire Facility	C-i	C-i	C-i
	Police Facility	C-i	C-i	C-i
	Public Agency Office/Yard or Public Utility Office/Yard	s	s	S
	Utility Facility	С	С	С
HEALTH				
	Hospital	С	С	С
	Medical Lab	С	С	С
	Medical Office/Outpatient Clinic		P-i (Adjacent to Arterial Street)	P
	Nursing Facilities		P-i (Adjacent to Arterial Street)	P
OTHER				
	Animals, Small, Keeping and Raising	P-i	P-i	P-i
	Light Rail Transit System/Facility	S-i	S-i	S-i
	Transit Park and Ride Lot		s	P
P = Permitte	ed Use			C = Conditional U
S = Special I			-i = Indexed	l Supplemental Crite
-	ry = Thirty percent (30%) of the gross floor area of a buildin			



Table 20.50.020(2) – Densities and Dimensions in Mixed-Use Residential Zones.

- (11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnote 12, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject to administrative design review approval and to the following:
 - a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied:
 - b. One of the following is provided:
 - i. The development provides commercial space of at least 10,000 square feet; or
 - ii. Commercial space is constructed on the portion of the building's ground floor abutting a public right of way. Commercial space may be used for any allowed use in the MUR-70' zone in Table 20.40.160—Station Area Uses, except the following general retail/trade/services: check cashing services and payday lending. Residential dwellings are not allowed in commercial spaces. Ground floor commercial is subject to the standards in SMC 20.50.250(C);
 - c. At least 20 percent of the public places and multifamily open space required in SMC $\underline{20.50.240}(F)$ and (G) shall be open and accessible to the public. This requirement does not include any area required for a public access easement as described in SMC $\underline{20.70.340}(E)$;
 - d. The development shall provide two percent of the building construction valuation to be paid by the applicant for contribution to fund public parks, open space, art, or other recreational opportunities open and accessible to the public within the station subarea as defined in the City's Parks, Recreation, and Open Space Plan. The applicant's contribution shall be paid to the City; and
 - e. The development shall meet the requirements to achieve certification under one of the following sustainable development programs: (i) LEED Platinum; or (ii) 5-Star Built Green; or (iii) Passive House Institute US (PHIUS)+ combined with Salmon Safe; or (iv) Zero Energy combined with Salmon Safe.

Table 20.50.020(3) - Dimensions for Development in Commercial Zones.

Exceptions:

- (6) Base height may be exceeded by eight feet for properties that qualify for $SMC \ \underline{20.40.465(D)(E)}$ or 18 feet for properties that qualify under $SMC \ \underline{20.40.465(F)(E)}$ or 18 feet for properties that qualify under $SMC \ \underline{20.40.465(F)(E)}$ or 18 feet for properties that qualify under $SMC \ \underline{20.40.465(F)(E)}$
- (7) Maximum hardscape may be exceeded by an additional five percent for properties that qualify under SMC 20.40.465(F)(2)(b).