AGENDA PLANNING COMMISSION REGULAR MEETING



Thursday, November 1, 2012 7:00 p.m. Shoreline City Hall Council Chamber 17500 Midvale Ave N.

		Estimated Time
1.	CALL TO ORDER	7:00 p.m.
2.	ROLL CALL	7:01 p.m.
3.	APPROVAL OF AGENDA	7:02 p.m.
4.	DIRECTOR'S COMMENTS	7:03 p.m.
5.	APPROVAL OF MINUTES A. October 4 Regular Meeting	7:08 p.m.

Public Comment and Testimony at Planning Commission

During General Public Comment, the Planning Commission will take public comment on any subject which is not specifically scheduled later on the agenda. During Public Hearings and Study Sessions, public testimony/comment occurs after initial questions by the Commission which follows the presentation of each staff report. In all cases, speakers are asked to come to the podium to have their comments recorded, state their first and last name, and city of residence. The Chair has discretion to limit or extend time limitations and the number of people permitted to speak. Generally, individuals may speak for three minutes or less, depending on the number of people wishing to speak. When representing the official position of an agency or City-recognized organization, a speaker will be given 5 minutes.

6.	GENERAL PUBLIC COMMENT	7:15 p.m.
7.	NEW BUSINESS A. Community Renewal Area Update	7:20 p.m.
8.	DIRECTOR'S REPORT	8:00 p.m.
9.	REPORTS OF COMMITTEES & COMMISSONERS/ANNOUNCEMENTS	8:10 p.m.
10.	AGENDA FOR November 15	8:20 p.m.
11.	ADJOURNMENT	8:30 p.m.

The Planning Commission meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 801-2230 in advance for more information. For TTY telephone service call 546-0457. For up-to-date information on future agendas call 801-2236.

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DRAFT

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION MINUTES OF REGULAR MEETING

October 4, 2012	Shoreline City Hall
7:00 P.M.	Council Chamber

Commissioners Present

Chair Moss Vice Chair Esselman Commissioner Maul Commissioner Montero Commissioner Scully Commissioner Wagner

Staff Present

Rachael Markle, Director, Planning and Community Development Paul Cohen, Planning Manager, Planning and Community Development Steve Szafran, Senior Planner, Planning and Community Development Miranda Redinger, Senior Planner, Planning and Community Development Mark Relph, Director, Public Works

Commissioners Absent

Commissioner Craft

CALL TO ORDER

Chair Moss called the regular meeting of the Shoreline Planning Commission to order at 7:00 p.m. She welcomed Mayor McGlashan to the meeting.

ROLL CALL

Upon roll call by the Commission Clerk the following Commissioners were present: Chair Moss, Vice Chair Esselman and Commissioners Maul, Montero, Scully and Wagner. Commissioner Craft was absent.

APPROVAL OF AGENDA

The agenda was accepted as presented.

DIRECTOR'S COMMENTS

Mr. Cohen announced that on October 8th the City Council will issue a proclamation for National Community Planning Month. Commissioner Moss will be present to receive the proclamation on behalf of the Commission. The remaining Commissioners are invited to attend, as well.

Mr. Cohen reported that the Snohomish County Council is considering an amendment to their Comprehensive Plan to change the designation for the Point Wells site from Urban Center to Urban Village. They are also proposing some associated development code amendments. The amendments are intended to meet the requirements of the Growth Management Act (GMA) Hearings Board's ruling. City staff has commented on the proposed amendments to make sure they reflect the interests of Shoreline, and they have also met with representatives from the Town of Woodway and Save Richmond Beach to identify common concerns. A staff member will be present when the Snohomish County Council takes action on the proposed amendments on October 10th. Snohomish County is required to submit their changes to the GMA Hearings Board for a ruling by October 24th. He said he also received notice that the Court of Appeals will hear arguments on November 7th about whether or not the current application for development at Point Wells is vested.

Mr. Cohen announced that he will present proposed code amendments to incorporate commercial design standards and consolidate commercial zones to the Commission on November 15th, December 6th and December 20th. He explained that the proposal is to consolidate redundant commercial zones that have identical requirements but different titles. The goal is to create four commercial zones from the current eight. The proposal would also apply the design standards from the Town Center Subarea Plan to all commercial zones. He pointed out that the Comprehensive Plan has already been amended to support the proposed amendments.

APPROVAL OF MINUTES

The minutes of September 6, 2012 were approved as submitted.

GENERAL PUBLIC COMMENT

There was no one in the audience.

<u>STUDY SESSION: COMPREHENSIVE PLAN UPDATE – COMPLETE DRAFT</u> <u>CONTINUATION</u>

Staff Presentation

Ms. Redinger noted that the complete draft of the Comprehensive Plan Update is scheduled for a public hearing before the Commission on October 18th, and staff will provide assembled packets containing the public hearing documents to the Commission before the end of tonight's meeting. She reminded the Commission that tonight's discussion is a continuation of their September 20th discussion. Ms. Redinger advised that in addition to the point-by-point response provided in the Staff Report related to concerns raised by the Shoreline Water District, the Public Works Director was present to answer any other questions the Commission may have.

Chair Moss asked Director Relph to expound on the GMA's philosophy of "growth pays for growth." Director Relph explained that this philosophy does not mean that new development should pay to address deficiencies that exist in the system. These deficits should be paid for by the rate payers through a capital improvement payment program. The "growth pays for growth" philosophy would be applicable in an area that is designated for a future infill development projects for which the current system is adequate but a larger infrastructure may be necessary to facilitate a denser multi-family project.

Chair Moss pointed out that by the time the Comprehensive Plan Update is presented to the City Council, the vote on whether or not the City should acquire the Seattle Public Utilities (SPU) system in Shoreline will have already taken place. Minor adjustments may need to be made to certain policies. Ms. Redinger advised that staff has identified areas that would need to be changed if the vote is not in support of moving forward with the process of feasibility and acquisition. Commissioner Maul asked Director Relph to explain what is being considered for acquisition. Director Relph replied that the acquisition would involve the entire SPU water system that exists from 145th to 205th Streets (roughly west of Interstate 5 to Puget Sound), which represents about two-thirds of the City. A new water main must be run down the 145th Street corridor to actually separate the system between Shoreline and Seattle.

At the request of Commissioner Scully, Director Relph clarified that the acquisition proposal is exclusive to the portion of the SPU system located in Shoreline, and the Shoreline Water District would not be impacted in any way. Costs associated with the acquisition would all be paid for by rate payers within the current SPU system, and there would be no impact to property taxes. Commissioner Scully pointed out that the Shoreline Water District expressed concern that the Comprehensive Plan language angles towards advocacy of also acquiring the Shoreline Water District. They recommended that the plan should be neutral regarding this issue. Director Relph said staff has discussed the concept of consolidating all utilities, specifically water and sewer, for the reasons laid out in the staff report such as efficiency, ability to manage economic development, and fire protection.

Commissioner Maul asked what percentage of water service is provided by the Shoreline Water District. Director Relph said they provide service to one-third of the City. They also serve properties located in Lake Forest Park. He reminded the Commission that the City Council felt the acquisition was an important enough issue that the residents of the City should have a say in the decision.

The Commission agreed that the responses provided in the Staff Report adequately address the concerns raised by the Shoreline Water District.

• <u>Proposed Introduction to the Comprehensive Plan</u>

The Commission reviewed the proposed Introduction to the Comprehensive Plan. They indicated support of the staff's recommendation for the order in which each of the 10 elements would be placed in the Comprehensive Plan (i.e. Land Use; Community Design; Housing; Transportation; Economic Development; Natural Environment; Parks, Recreation and Open Space; Capital Facilities; Utilities; and Shoreline Master Program). Other than the comments they submitted in writing, the Commission did not have any further changes regarding the draft Introduction to the Comprehensive Plan.

Chair Moss referred to Attachment A, which tracks the proposed changes to the Land Use Element. She invited the Commissioners to share their additional comments.

The Commission discussed the intent of **Goal LU IV**, and Chair Moss noted that the language was based on input from the Public Health Department. Commissioner Scully said his interpretation of the goal is twofold: establish land use patterns that promote walking, biking and using transit and establishing land use patterns that provide protection from exposure to harmful substances such as separating industrial lands from residential lands. Ms. Redinger said that social equity is the primary intent of the goal so that potentially harmful environments are not disproportionally located near any particular residential area. Commissioner Montero pointed out that **Goal LU IX** also provides protection from potential health impacts associated with industrial activities. Ms. Redinger pointed out that **Goal LU IX** does not address the issue of social equity as it relates to land use and harmful substances and/or environments. **Goal LU IV** is intended to address issues specifically related to land use. The Commission agreed that separating **GOAL LU IV** into two sentences would be the best approach to make the dual intent clear.

Chair Moss recognized that the draft Comprehensive Plan update is already being prepared for the public hearing, and it may be difficult to make changes at this point. Ms. Redinger pointed out that the public hearing document has already been printed. However, additional changes from the Commission could be incorporated into the document until the end of the business day on October 9th, at which time an updated digital version could be sent to each Commissioner. The document would then remain unchanged until the public hearing.

Commissioner Wagner suggested that, at some point, the Commission should have a brief discussion about the public hearing process so they can focus on more comprehensive issues and not get hung up on minor issues.

Chair Moss recalled that the Commission previously discussed whether or not it is necessary to include appropriate zoning designations under policies for land use designations. She explained that after further analysis, staff has concluded that the zoning designations could be removed. However, they recommended retaining the text that specifies maximum residential densities to provide certainty for property owners and neighbors about the level of development that could occur within residential designations. The Commission indicated support for the staff's recommendation.

Chair Moss invited the Commission to comment on staff's recommended language for **Policy LU6**, which allows flexibility in regulations to protect existing stands of trees. Mr. Szafran noted that the Development Code regulations related to trees and vegetation would provide guidance to staff as to what the flexibility would be.

Vice Chair Esselman expressed concern that **Policy LU29** appears to discuss two different ideas. She suggested the last sentence could become part of **Policy LU30**, which discusses communication mechanisms. Commissioner Scully pointed out that **Policy LU29** is in reference to areas transitioning into different kinds of land uses. Therefore, he suggested that the term "land use transitions" should be changed to "transitions in land use." The remainder of the Commission concurred with the two proposed changes for **Policies LU29 and LU30**.

Chair Moss asked why the Land Use Element uses the term Transit-Oriented Communities (TOC) instead of Transit-Oriented Development (TOD). Ms. Redinger explained that the term TOD was used

in previous drafts to be consistent with the Transportation Master Plan. However, staff has since learned that is not a requirement. Because the Commission and staff both indicated a preference for TOC, the term is now used consistently throughout the Comprehensive Plan Update.

Chair Moss pointed out that the property located on Dayton Avenue south of North 160th Street (Washington State Department of Transportation (WSDOT) building) is identified as Open Space (OS) on the current land use map. The proposed land use map would change the designation to Mixed Use 1 (MU1), and the property would be included in the Community Renewal Area. She reminded the Commission that single-family residential property owners have repeatedly expressed concern about the affect of allowing commercial development to abut low-density residential development. She expressed concern that changing the designation to MU1 would expand the types of uses allowed on the site and dramatically change the character of the area. She suggested that the less intense Mixed Use 2 (MU2) designation might make more sense in this location. Mr. Szafran recalled that the intent was to match the Comprehensive Plan with current zoning. Commissioner Maul noted that the subject property is currently zoned Mixed Use (MUZ), which is the City's most intense zoning district. Vice Chair Esselman observed that the subject property does not face Dayton Avenue, and the topography may provide a natural buffer.

Mr. Szafran pointed out that the site could be redeveloped at any time based on the current MUZ zoning without regard to the Comprehensive Plan designation. Chair Moss recalled that zoning designations may change as part of the Community Renewal Area project. Mr. Szafran clarified that the zoning designations would be renamed but not changed. Ms. Markle added that the development standards would be updated to mirror those found in the Town Center Subarea Plan and provide greater protection in terms of transition and design than what is provided by the current MUZ zoning.

Chair Moss invited the Commissioners to comment on the new Introduction to the Transportation Element Goals and Policies, which was written by Commissioner Wagner and further tweaked by staff. The Commission supported the new language as proposed.

Chair Moss pointed out that **Policy LU48** specifically calls out the City's desire to pursue annexation of Point Wells and implement the subarea plan for the area. She invited the Commission to comment on Subarea Plan 2 - Point Wells, which starts on Page 29 of the Staff Report. Commissioner Montero noted that Subarea Plan for Point Wells was adopted in 2009 and is intended to be a 20-year plan.

Commissioner Scully asked the status of the "secondary vehicular access" to Point Wells via Woodway. Mr. Szafran said the secondary access was requested by the group, Save Richmond Beach, but it is highly unlikely to occur. Commissioner Wagner pointed out that there used to be access through the Town of Woodway, but it involved an extremely-steep and environmentally-sensitive slope. While it would be physically possible to construct a secondary access through the Town of Woodway, it would be extremely expensive.

Commissioner Maul pointed out that the subarea plan includes the thought that perhaps it is more appropriate for the upland portion of the Point Wells site to be part of the Town of Woodway's urban growth boundary. Mr. Szafran pointed out that the area to the southeast was not included as part of the Point Wells Subarea Plan.

Commissioner Scully expressed his belief that if the permit is deemed to be "vested," and the property owner is allowed to develop the site as per Snohomish County's development code regulations, the Point Wells Subarea Plan will have no effect. He suggested the plan should call out this possibility and indicate that the plan should be revisited if the circumstances change. Director Markle agreed that if the permit goes through under Snohomish County rules, the City would need to amend the Point Wells Subarea Plan to some degree.

Commissioner Maul questioned why Snohomish County is considering zoning and comprehensive plan changes when there is a possibility the application is vested. Director Markle explained that, as a result of an appeal to the GMA Hearings Board by the City of Shoreline, Save Richmond Beach and the Town of Woodway, Snohomish County has to make changes in order to come into compliance. The changes would only have an effect if the permit lapses or is not deemed "vested."

Public Comment

There was no one in the audience.

DIRECTOR'S REPORT

Director Markle did not have any additional items to report to the Commission.

REPORTS OF COMMITTEES AND COMMISSIONERS/ANNOUNCEMENTS

Director Markle announced that the City Council has made it clear that the Planning Commission will be the primary governing board for making recommendations about light rail station area planning. In order to facilitate this process, the Commission appointed a Light Rail Station Area Planning Subcommittee, and staff has submitted a request for the 2013 budget to hire a consultant to write a very detailed public participation plan. Staff met with the subcommittee to identify the following work plan:

- Become familiar with the areas in question
- Seek valuable information from other jurisdictions
- Become familiar with available resources related to light rail station area planning
- Quantify what makes transit-oriented neighborhoods successful
- Identify stakeholder groups and consider how to engage them in the process
- Draft criteria for the special study area boundaries
- Create educational materials to point out how light rail station area planning is a way to implement many of the goals in Vision 2029

Commissioner Scully acknowledged that the work plan is missing a product and timeline, which are essential components. At this time, the subcommittee's primary focus is to learn more about station area planning and determine how their knowledge can best be applied to the project.

Chair Moss announced that she would attend a walking tour of some new housing around the light rail area in Columbia City on October 5th. She agreed to collect available information to share with the subcommittee. She also announced that the Puget Sound Regional Council (PSRC) will host a meeting on October 30th for the vested public to discuss the different typologies that PSRC is looking at as examples of what future light rail stations might look like. She said she would attend the PSRC meeting as a member of the North Corridor Task Force, and she suggested a member of the subcommittee should also attend.

Chair Moss announced that she would attend the American Planning Association Conference next week.

AGENDA FOR NEXT MEETING

Mr. Szafran announced that a public hearing on the Comprehensive Plan Update is scheduled for October 18th. Economic Development Program Manager, Dan Eernissee, is scheduled to meet with the Commission on November 1st to talk about the Community Renewal Area. Chair Moss noted that Mr. Cohen would also provide an initial presentation on proposed code amendments to incorporate commercial design standards and consolidate commercial zones to the Commission on November 15th.

Chair Moss reviewed the rules and procedures for the upcoming public hearing on the Comprehensive Plan Update. She reminded the Commissioners to get their final comments to staff by the end of business hours on October 9th. Commissioner Wagner reminded the Commission of the need to carefully state findings of fact to support their recommendation to the City Council. Ms. Redinger commented that the City Council would not conduct a public hearing on the draft Comprehensive Plan unless significant changes are proposed. The hearing before the Board will be the only official public hearing, but the City Council will allow public comments during their review of the proposed plan.

Commissioner Wagner cautioned against focusing too much of their time at the public hearing on minor additional changes. Instead, the Commission could adopt the changes by reference and start their discussion with a single document. Ms. Redinger advised that additional comments received through October 9th would be incorporated into the digital version that is forwarded to each Commissioner prior to the hearing.

ADJOURNMENT

The meeting was adjourned at 8:30 p.m.

Donna Moss Chair, Planning Commission Jessica Simulcik Smith Clerk, Planning Commission This page intentionally blank

Community Renewal Area FAQs

Shoreline's City Council adopted Resolution 333 on September 4, 2012, thereby creating the Aurora Square Community Renewal Area (CRA). The CRA establishes that economic renewal of the 70+ acre Aurora Square commercial area is clearly in the public interest. With the CRA in place, the Shoreline Office of Economic Development is freed to work in cooperation with the Aurora Square property owners to draft an economic renewal plan for the CRA.

Q: What is a Community Renewal Area (CRA)?

Washington law (RCW 35.81) allows cities to establish a *Community Renewal Area* along with a Community Renewal Plan (collectively a CRA) to help areas that need renewal. In the case of Aurora Square, economic renewal is needed. Once a CRA is established, the city gains a toolkit designed to help it facilitate renewal. For example, while Washington law typically limits cities from working with private enterprise, cities are encouraged to partner with private enterprise to rejuvenate a Community Renewal Area, a tool that can be particularly effective at helping Aurora Square reach its potential.

Q: Why a CRA at Aurora Square?

RCW 35.81 describes what an area that needs economic renewal looks like, and Council affirmed that four of the five reasons aptly describe Aurora Square:

- "Old, obsolete buildings" such as the vacant Sears Catalogue Sales building and the three vacant buildings on the Joshua Green triangle. The Sears retail building, while occupied, reflects a Sears of decades ago rather than a structure it would build today.
- "Defective or inadequate street layout" and "faulty lot layout" is readily apparent at Aurora Square. Shoppers cannot walk or drive easily between buildings, and traffic on Aurora and N 160th Street has difficulty accessing the site. In addition, the lot layout and topography of the site work against the retail function of the businesses.
- 3. "Excessive land coverage" at Aurora Square is evident in acres of parking in inaccessible or unnecessary locations, a lack of landscaping, and inadequate storm water management that poses costly hurdles for additional development.
- 4. "Diversity of ownership" at Aurora Square—which has ten different ownership groups results in the inability to make changes at the speed necessary to respond to opportunities.

Aurora Square faces daunting challenges which developed over decades, leaving a center that is difficult to navigate with disconnected islands of buildings. What's more, current building and storm water laws add more challenges to those demanded by today's lifestyles and customers. Together, these challenges stymied redevelopment, limited reinvestment and produced poor sales, values and rents.

Q: What is Aurora Square's potential?

Aurora Square is a sleeping giant. Given its size, location, demographics, transportation access, and the projections for growth in the Puget Sound economy, Aurora Square could be special. The City regularly surveys its citizens about ways to improve Shoreline, and better shopping, entertainment, and destination restaurants are constantly mentioned. Aurora Square is a key to accomplishing all of these opportunities. Of course, outstanding businesses already operate on site, and we trust that these ventures can grow even more successful with the synergy created. All this activity means sustainable sources of revenue for city services, too. Aurora Square can become a model of "lifestyle Shoreline," with smart-built infrastructure, residences, offices and generous open spaces tied to transit, neighborhoods, and the Interurban Trail.

Q: What role might the City play?

Now that the CRA is established, the City will initiate tailored assistance to create a Community Renewal Plan based on the needs of the site and its interaction with the property owners. Examples may include:

- Designing area-wide storm water management or energy systems that allow individual lots to take advantage of economies of scale;
- Commissioning traffic and parking studies to justify more development through right-sizing parking and providing improved access;
- Creating a special signage district to offset the fact that the Interurban Trail pedestrian bridges tend to block site visibility from passing motorists on Aurora;
- Reworking N 160th Street with hopes of giving Aurora Square another "front door" and of better engaging Shoreline Community College's 9,000+ students;
- Tailoring zoning in special districts that will generate new investment from tenants or users that aren't currently on site;
- Designating central, consolidated plazas and parks that serve the entire center and become focal points for community gatherings;
- Financing major infrastructure improvements that allow for more predictable and intensive development.

Q: Does the CRA change zoning or heights of buildings?

No, the CRA itself doesn't change anything, but is merely a toolkit for a city to use for the very limited purpose of bringing about renewal.

Q: Will the City master plan Aurora Square?

In a limited way; the City will partner with Aurora Square property owners to provide connections and the infrastructure necessary to serve the site. However, the City will not be dictating to the owners how they use or develop their sites.

Q: Will my property taxes or values increase or decrease?

The King County Assessor's Office confirmed that creating a CRA or a community renewal plan will not affect property assessments positively or negatively, as it does not guarantee improvement, increase potential, or devalue property. Property taxes and property values will only be affected when and if the area experiences significant improvement through investment or increased tenant activity.

Q: Are there property rights objections to CRAs?

Two common property rights objections often surface when cities create CRAs: the dislocation of residents and the use of condemnation or eminent domain for economic development. Since no residents live in the Aurora Square area, the first objection doesn't apply. As for condemnation, Council adopted Resolution 333 which explicitly states that condemnation and eminent domain not be used for economic renewal at Aurora Square, even though RCW 35.81 provides cities with that tool. This action follows our legal counsel's recommendation that condemnation and eminent domain only be used as a last resort to renew areas with severe health and safety challenges, but that it not be used for economic renewal. With eminent domain removed, the creation of a CRA poses no threat to property rights.

Q: Does the City intend to acquire property?

The City already owns a great deal of right-of-way that it can use to help renew Aurora Square. Should the City find it necessary to acquire additional property, the City would act in the public interest as a typical buyer, using a negotiated purchase agreement. In addition, RCW 35.81 prescribes that cities that acquire property for economic renewal in CRAs need to do so with the intention of returning the property to the private sector as soon as is reasonable.

Q: Where can I learn more about Community Renewal Areas?

The Municipal Research and Services Center of Washington maintains a webpage with examples of CRA ordinances from Anacortes, Bremerton, and Vancouver. It also includes a link to the text of RCW 35.81. http://www.mrsc.org/subjects/econ/ed-comrenewal.aspx. Questions can also be directed to Dan Eernissee, Economic Development Manager, at either 206-801-2218 or http://www.mrsc.org/subjects/econ/ed-comrenewal.aspx. Questions can also be directed to Dan

Q: Can I follow the progress of the Aurora Square Community Renewal Area?

Shoreline City Council packet information, staff presentations, and a video recording of all meetings are available on the City of Shoreline's website. <u>http://www.shorelinewa.gov/index.aspx?page=82</u>

Q: Can I comment on the Aurora Square Community Renewal Area proposal?

The Shoreline City Council values community input and looks forward to hearing from you on the CRA proposal. If your comments are submitted before 4:00 p.m. on the day of the City Council meeting, your comments will be distributed to the City Council and appropriate staff prior to the Council meeting that evening as well as posted on the City's website under public comment in the Document Library. Comments can be submitted online at http://www.shorelinewa.gov/index.aspx?recordid=20&page=696



Property ownership by City	Without CRA	Additional abilities with CRA in place
Buy, lease, condemn, acquire real property	Allowed, but not with intent to be resold to private party for economic development	Allowed with preference to resale to private parties*
Hold, clear, or improve real property	Allowed, but only for public facilities	Allowed for both public or eventual private use
Dispose of real property	Allowed, but not with intent to be resold to private party for economic development	Allowed with preference to resale to private parties*
		* Condemnation only to be exercised to cure health and safety blight, not economic blight
Zoning changes	Without CRA	Additional abilities with CRA in place
Rezone property	Allowed as a Planned Area	Allowed as a spot zone regardless of GMA/Comprehensive Plan cycle
Use resources to master plan private property	Not allowed since it can be construed to benefit private property	Allowed
Create special districts with unique rules	Allowed in a limited way as part of the Planned Area zoning	Allowed
Private partnerships	Without CRA	Additional abilities with CRA in place
Enter into a developer agreement	City can only sell property it owns through competitive bid without strings attached.	Before purchasing property, the city can identify partners to develop all or some. City can also dictate to buyers how the property will be used.
Select buyer who agrees to further CRA goals	Not allowed	Allowed after some kind of competitive process or any non- profit buyer without competitive process
Execute contracts and other instruments	Allowed to carry out City purposes only	Allowed to carry out CRA purposes as well
Provide incentives to tenants who help fulfill the community renewal plan	Allowed with limitations	Allowed with more flexibility

Building infrastructure	Without CRA	Additional abilities with CRA in place
Build and repair roads, parks, utilities	Allowed	Allowed
Close, vacate & rearrange streets and sidewalks	Allowed for city purposes	Allowed to promote economic development as well
Borrow money and accept grants to carry out community renewal	Not allowed	Allowed
Form Local Improvement Districts to finance	Allowed	Allowed
Incentives and impacts	Without CRA	Additional abilities with CRA in place
Provide loans, grants, or other assistance to property owners or tenants affected by the community renewal process	Not allowed, except in aid of lower income persons	Allowed
Provide financial or technical incentives for job creation or retention	Not allowed	Allowed
Relocate persons affected by community renewal	Not allowed except for persons affected by condemnation for public facilities	Allowed

DAILY JOURNAL OF COMMERCE

September 17, 2012

70-acre Aurora Square site could become Shoreline's urban village

By **BENJAMIN MINNICK**

Journal Construction Editor



Redeveloping Aurora Square will get a boost next year when Metro opens its RapidRide E Line along Aurora Avenue North. Shoreline's City Council earlier this month took a step toward redeveloping Aurora Square shopping center by creating the Aurora Square Community Renewal Area.

The designation allows the city to work with property owners and developers on an economic renewal plan for the area, which is bounded by Aurora Avenue North, North 160th Street, Westminster Way North and Dayton Avenue North.

Ten oddly shaped properties are on the 70-acre site, resulting in disconnected islands of buildings that are difficult to navigate. It is anchored by a 290,000-square-foot Sears store that hasn't had a major update since it was built in 1967, according to Dan Eernissee, Shoreline economic development manager.

The Sears store also has a strange parking layout: one lot faces the bottom level of the store and another lot is at the store's second level. Going between the parking lots, and the retailers that surround them, requires shoppers to change levels inside Sears or drive around the edges of the site.

Eernissee said retail covers about 30 acres, but many popular stores like Starbucks are missing.

"This has been an underperforming site for Shoreline for decades," he said. "It isn't a gathering place."

The other anchor is a 53,000-square-foot Central Market. There also are Marshall's and Big Lots stores, the Northwest School for Hearing Impaired Children, about 20 small retailers, and a 134,000-square-foot regional headquarters for the Washington State Department of Transportation.

Eernissee said only about 25,000 square feet is vacant, but those spaces have been empty for a long time. The vacant spots include 16,000 square feet that Sears once used as a catalog call center, an old Dairy Queen, a former paint store and a defunct pizza restaurant.

Paper Zone filed for bankruptcy in the last year and closed its 5,500-square-foot store there, but another tenant is lined up for the space, according to Eernissee.

Eernissee said tougher laws for buildings and stormwater management have stymied redevelopment and limited reinvestment, and that has hurt sales, values and rents. He said there is no modern stormwater handling system for the site and too much parking.

Sales tax revenues are also low. Aurora Square generates about \$6K per acre in sales taxes while Aurora Village, two miles to the north, brings in \$39K per acre thanks to big box retailers such as Costco and Home Depot.

Eernissee said Aurora Square has more potential than its northern neighbor to become a pedestrian-oriented village like University Village, Redmond Town Center or Mill Creek Town Center. He said Aurora Village will always be auto-oriented because of Costco and Home Depot.

The potential for redeveloping Aurora Square will get a boost next year when Metro opens its RapidRide E Line along Aurora Avenue North, which the shopping center borders.

Eernissee said it's difficult to say what could be built at this point, but demolishing what's there now and starting over isn't likely in the cards. The city will look at doing infrastructure projects such as streets, a parking garage, transit center and stormwater facilities. "What we hope for is a true public-private partnership," he said.

Rick Mohler, an architect with Adams Mohler Ghillino and associate professor at the University of Washington Department of Architecture, put on a summer architecture studio at the UW that focused on Aurora Square. Eernissee said the seven students had some good ideas.

Eernissee said redevelopment could start as early as next year and proceed in phases over five to 10 years.

Two Aurora Square property owners — Joshua Green Corp. and Retail Opportunity Investments Corp. — have expressed interest in seeing the property change. "I don't think it will be hard at all (to find developers)," Eernissee said. "This is a very unusual opportunity to have a 70-acre site that can be cohesively developed."

The city is investing \$120 million nearby in the Aurora Corridor Improvement Project. Three miles of Aurora are becoming more pedestrian friendly with sidewalks, underground utilities, bike lanes and upgrades to the Interurban Trail, including a new bridge over Aurora to Aurora Square. The final phase of that work, from North 192nd to 205th streets, is expected to start in January 2013.

Eernissee said public funding for Aurora Square will be determined by the City Council as part of the community renewal area plan. The city's consultants are QBL Partners of Seattle and Donahou Design Group of Redmond.

Benjamin Minnick can be reached by *email* or by phone at (206) 622-8272.

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