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Shoreline, Washington 98133
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SHORELINE CITY COUNCIL
SPECIAL MEETINGS NOTICE
Monday, September 29, 2014

As required by RCW 42.30, the Open Public Meetings Act, YOU ARE HEREBY NOTIFIED that the Shoreline City Council will hold a Special Meeting on Monday, September 29, 2014.

The meeting will begin at 5:45 p.m. and is scheduled to conclude by 7:00 p.m. It will be held in Conference Room 303 at Shoreline City Hall, located at 17500 Midvale Avenue N, Shoreline, WA 98133.

The purpose of this meeting is to discuss Station Area Phased Zoning.

Dated this 23rd Day of September, 2014.

Jessica Simulcik Smith
City Clerk



Memorandum

DATE: September 29, 2014

TO: City Council

FROM: Rachael Markle, Director, P&CD
Paul Cohen, Planning Manager, P&CD

CC: Debbie Tarry, City Manager
John Norris, Assistant City Manager
Miranda Redinger, Senior Planner, P&CD

RE: 185th Street Station Subarea Plan - Phased Zoning Discussion

The City has been facilitating discussions and recommendations about potential zoning maps and development regulations for the 185th Street Station Subarea Plan (185SSSP) for over a year. As the long-term vision for the station area has expanded, so has the portion of the study area to be considered for potential rezoning.

The Draft Environmental Impact Statement (EIS) for the 185SSSP analyzed three potential zoning scenarios: No Action, Some Growth, and Most Growth (Attachments A, B, and C). At the public hearing on July 10 regarding the Draft EIS and potential zoning scenarios, the Planning Commission made a recommendation to Council for a Preferred Alternative zoning scenario (Attachment D). On August 25, Council amended this recommendation slightly to determine the Preferred Alternative (Attachment E) that will be analyzed in the Final EIS. Background information, including all options considered is available at the following links:

July 10 Planning Commission public hearing:

<http://shorelinewa.gov/home/showdocument?id=17494>

August 25 Council selection of Preferred Alternative zoning scenario:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2014/staffreport082514-8b.pdf>

The purpose of an EIS analysis is to determine potential impacts to systems such as transportation, utilities, and schools given various growth projections, and how to mitigate for these impacts through improvements such as infrastructure. The EIS uses two timeframes to determine what growth is likely to occur, based on possible zoning

scenarios, over both the 20 year planning horizon of the Final EIS document, and how long it is projected that each zoning scenario would build-out to full development capacity. The 20 year timeline is used to program capital projects, while the build-out timeline provides the City, residents, and developers with an understanding of the full potential for growth and change over the long-term.

For example, for the two growth scenarios analyzed in the Draft EIS, it was estimated that the “Some Growth” scenario would take approximately between 30-50 years to build-out, based on a rate of 1.5% - 2.5% growth. Using the same growth rate, it was estimated that the “Most Growth” scenario would take approximately 60-100 years to reach full development capacity.

Based on comments from the public and Commission and Council discussions, the Preferred Alternative to be analyzed in the Final EIS considers a greater portion of the study area than was analyzed in the Draft EIS. While the EIS process is intended to be iterative and the Council may adopt zoning that is less intensive than that studied, the evolution caught some community members who had previously been involved in the process off-guard. Additionally, Sound Transit submitted a letter for Council consideration for Council's August 25 meeting regarding this issue (Attachment F). An excerpt from that letter reads:

“Based on recent transit oriented development work and a review of recent industry studies, Sound Transit would like to suggest the following concepts to help encourage growth around the station in the short term:

- 1. Phase zoning changes with highest priority to locations closest to the station. Future zoning changes should be considered after reviewing the progress made in earlier phases.*
 - Pursue development of nodes within close proximity of the station area, consistent with place making practices. Likely nodes are 1st Avenue NE and N 185th Street; and the area immediately adjacent to the station.*
- 2. Adopt new or modify existing development incentives. Many examples are available that might fit Shoreline’s needs. It is critical to determine whether zoning regulations help or hinder development.*
 - Scale zoning, incentives, and investments consistent with findings from BAE’s market assessment (700 residential units over twenty years and a modest amount of commercial space).*
 - Scale zoning changes to align seller and buyer pricing expectations. (Avoid zoning changes that stagnate activity and reduce ridership potential).*
- 3. Create incentives that are a net reduction in cost for developers to expedite new development prior to and shortly after station opening.*

Again, we would like to continue conversations around this topic and could bring our technical resources to the table if you are interested in meeting in person to further discuss.”

Pursuant to this offer, the City Manager, Economic Development Manager, and Transportation and Planning staff met with several representatives from Sound Transit on Friday, September 25. Staff can provide a summary of the discussion if requested during the dinner meeting.

The other significant guidance provided by Council that is pertinent to this conversation is Comprehensive Plan Land Use Policy LU-31, which directed staff to: *Create a strategy in partnership with the adjoining neighborhoods for phasing redevelopment of current land uses to those suited for TOD, taking into account when the City's development needs and market demands are ready for change.*

Based on this guidance and concerns expressed by the community and partner organizations about the long-term timeframe for build-out, staff created a map for Council consideration of how zoning could be phased in different stages (Attachment G).

Over the next 20 years and beyond, it is important that the station subarea redevelop as a cohesive, connected community that is supportive of transit, but also that residents and potential developers have some predictability about when market forces are likely to support redevelopment of different areas. Staff believes that the attached phased zoning map reflects previous discussions about the relationship between choice and scarcity, and offers a balance of these principles, which is likely to support quality redevelopment over the next several decades.

The intent of phased zoning is to diminish the potential for portions of the subarea to suffer stagnation caused by over-valuing property, disrepair that can be the result of speculative buying or homeowners who choose not to invest in their property because they are uncertain of the future, or spotty redevelopment that could occur given the large area that could potentially be rezoned upon adoption of the 185SSSP. The City should also anticipate that the development market for the subarea will change in ways that cannot be projected, so it may be wise to allow smaller segments to be rezoned initially, monitor these areas with respect to whether regulations and incentives are creating the kind of community envisioned through the subarea planning process, and make adjustments over time.

Toward this end, Council could consider adopting Comprehensive Plan Land Use designations for the full subarea, but only adopting zoning for an area identified as Phase 1. This potential area is represented in Attachment G and described below:

- MUR 45 and 35 - At a depth of approximately 600 feet to align with existing property lines for both sides of N 185th Street, between Midvale Avenue N and 1st Avenue NE on the northern half, and to NE 3rd Street on the southern half; along NE 180th Street with an approximate depth of 250 feet, between 9th Avenue NE and midway between 12th and 15th Avenues NE; and along the east side of 10th Avenue NE from NE 181st Street up to NE 188th Street.
- MUR 85 – Continuing the 600 foot depth along NE 185th Street from the west, between NE 185th Street, 1st Avenue NE, NE 190th Street, and 10th Avenue NE;

the area between NE 185th Street, 3rd Avenue NE, NE 183rd Street, and 10th Avenue NE; and the area between 9th Avenue NE, 10th Avenue NE, and approximately NE 181st Street.

This area is similar in extent to that analyzed under the Some Growth zoning scenario, and staff believes that it is the area most likely to redevelop in the 20 year planning horizon of the Final EIS, or in the foreseeable future thereafter. Concentrating initial zoning change here would promote the “signature corridor” concept that came out of community Design Workshops, and provide a focus for capital improvements, which would hopefully be timed for completion to coincide with operational light rail service in 2023.

This memo is merely an outline of a proposal for phased zoning implementation. Should Council provide direction to develop it further, staff and the Planning Commission will begin discussing details at the October 2 regular Commission meeting. The concept of phased zoning would also be analyzed in the Final EIS.

If Council supports the concept of phased zoning, staff would appreciate direction with regard to whether the area outlined in Attachment G is appropriate or should be adjusted. In addition, any direction that Council wishes to provide staff and the Planning Commission with regard to how to implement zoning in Phase II and beyond would be helpful. Options include:

- Council “unlocks” a pre-determined Phase 2 zoning area once a certain percentage of development capacity has been reached in Phase 1, say 50% or greater. This process would be repeated for subsequent phases.
- Council adopts criteria through the 185SSSP to administratively rezone parcels meeting said criteria. Examples could include minimum lot size and adjacency to property in Phase 1, etc.

It should also be noted that if Council were to adopt Comprehensive Plan Land Use designations for the entire subarea (up to or less than what was studied in the Final EIS, but not beyond), individual property owners would be able to apply for rezoning according to the existing criteria and process.

Attachments:

Attachment A: No Action zoning scenario analyzed in the Draft EIS

Attachment B: Some Growth zoning scenario analyzed in the Draft EIS

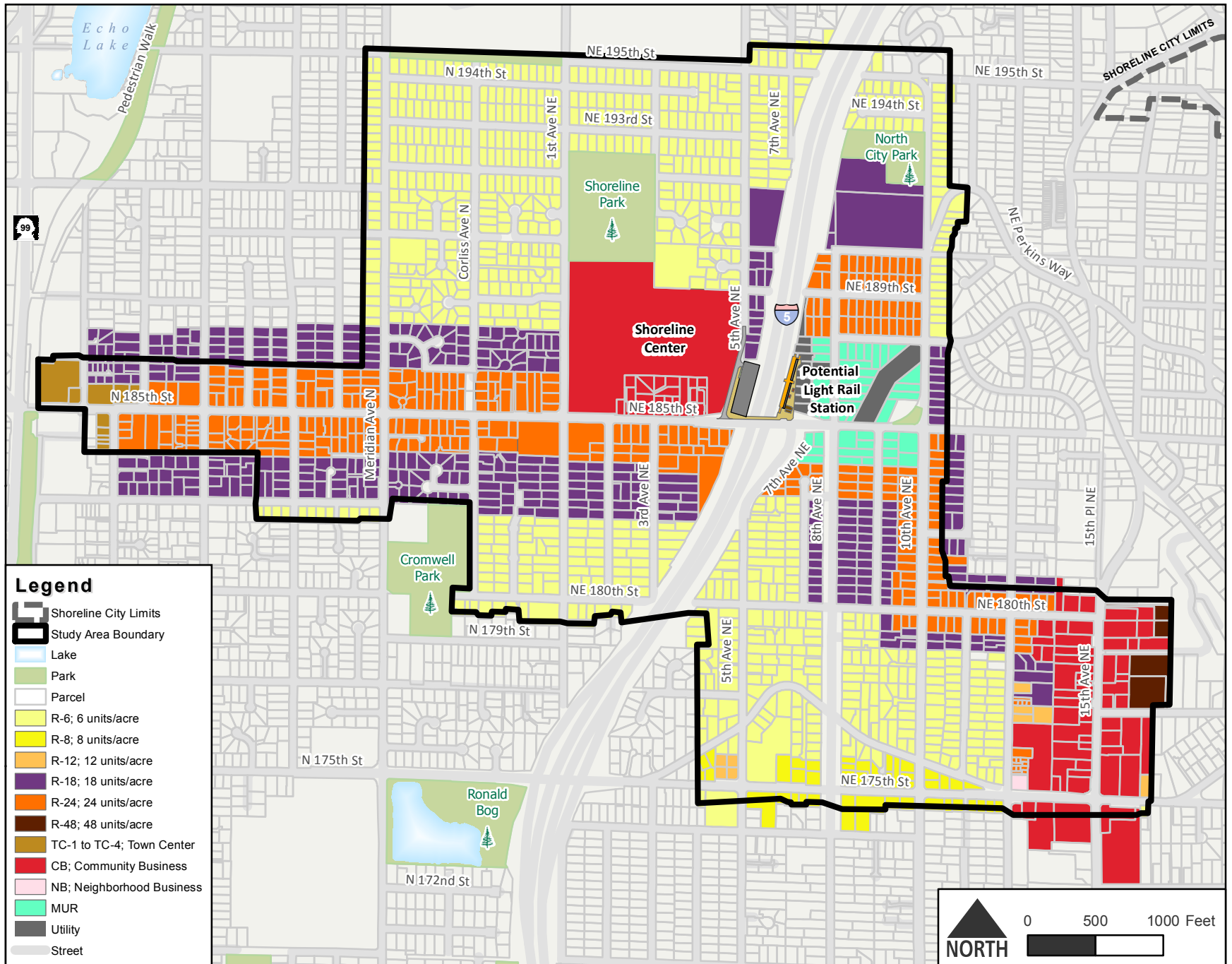
Attachment C: Most Growth zoning scenario analyzed in the Draft EIS

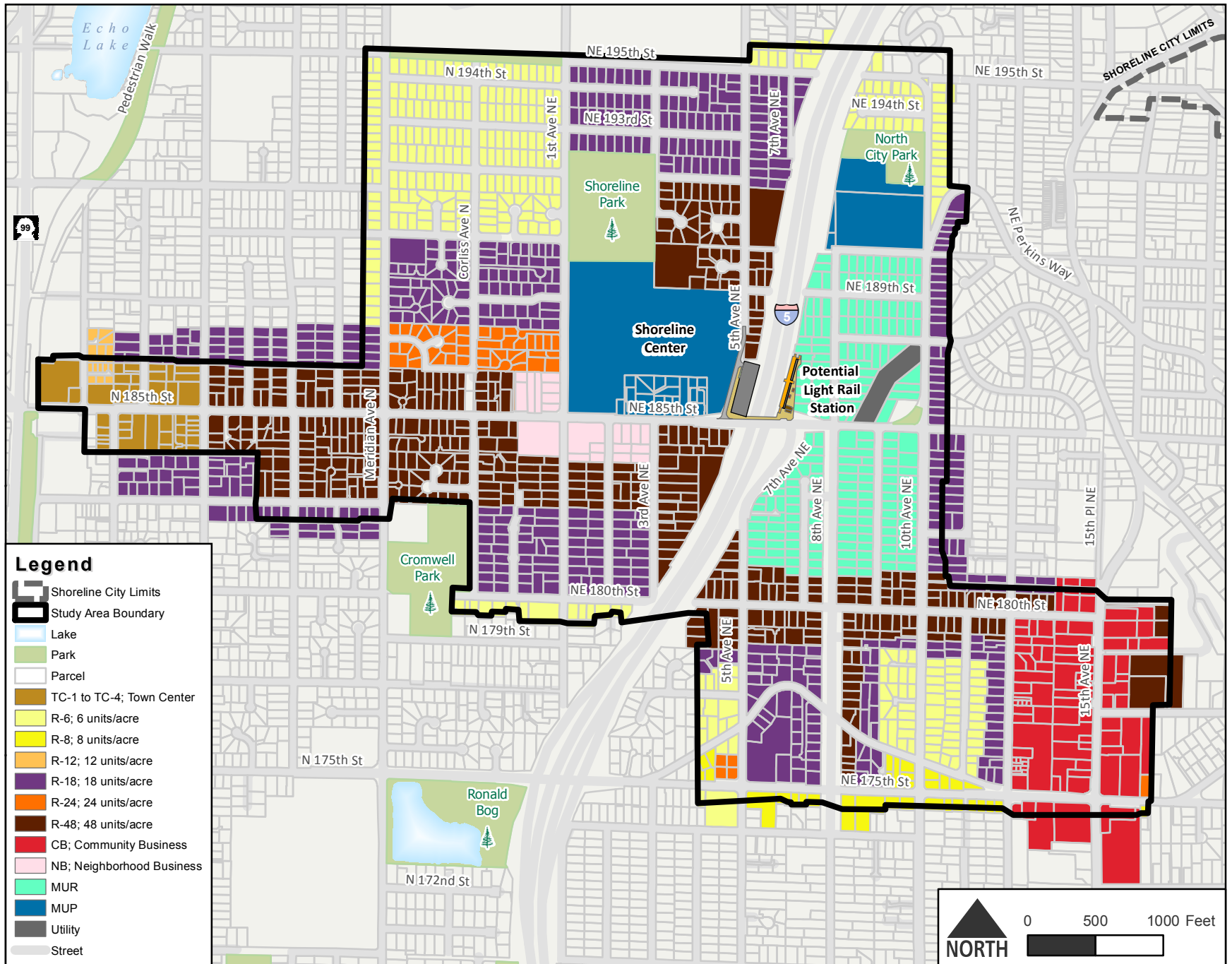
Attachment D: Preferred Alternative zoning scenario recommended by the Planning Commission at the July 10 public hearing

Attachment E: Preferred Alternative zoning scenario determined by Council to be analyzed in the Final EIS

Attachment F: Letter from Sound Transit

Attachment G: Potential zoning map under consideration to represent phased approach

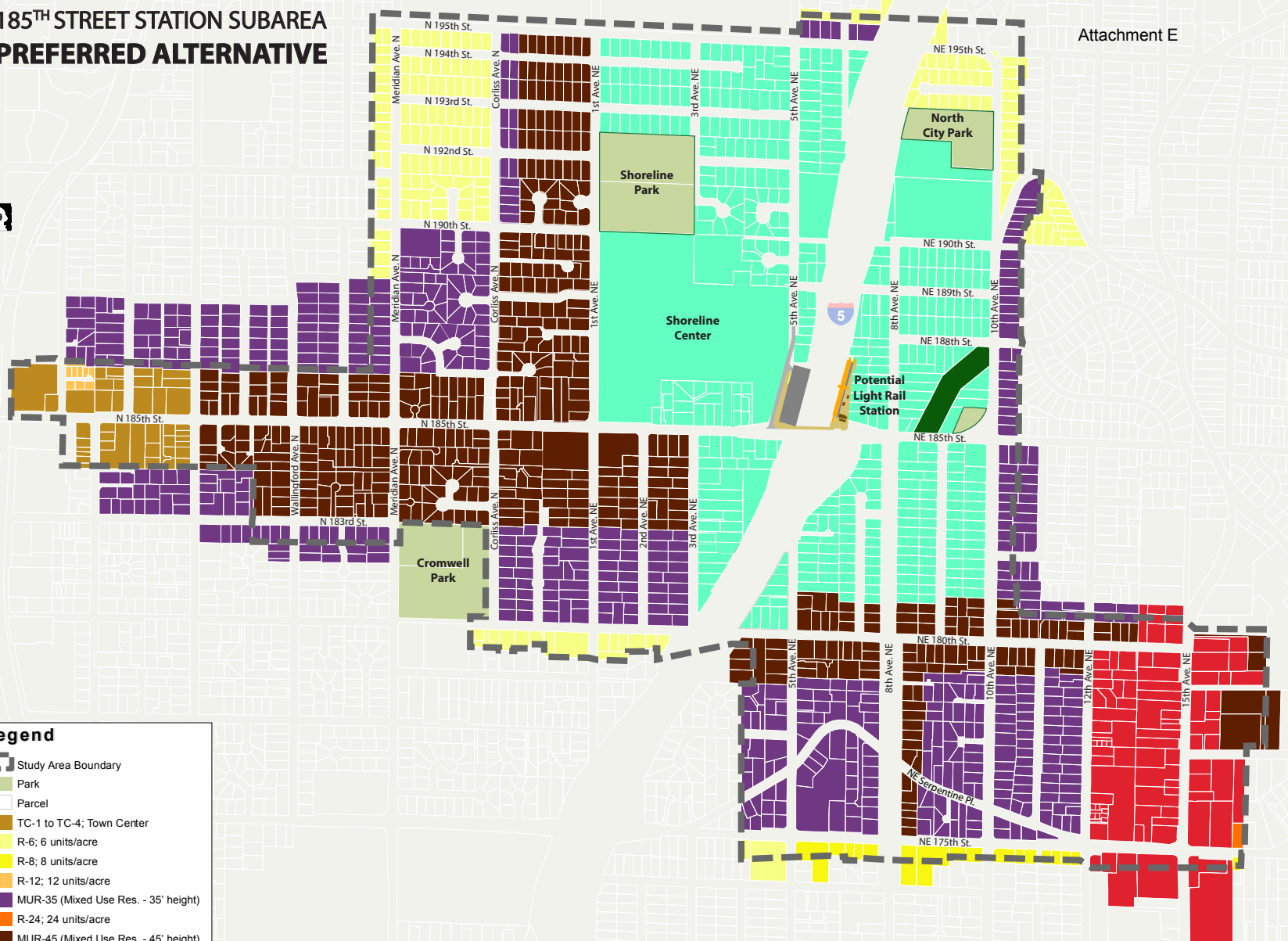















185TH STREET STATION SUBAREA PREFERRED ALTERNATIVE

Attachment E

99



Legend

-  Study Area Boundary
-  Park
-  Parcel
-  TC-1 to TC-4; Town Center
-  R-6; 6 units/acre
-  R-8; 8 units/acre
-  R-12; 12 units/acre
-  MUR-35 (Mixed Use Res. - 35' height)
-  R-24; 24 units/acre
-  MUR-45 (Mixed Use Res. - 45' height)
-  CB; Community Business
- MUR-85 (Mixed Use Res. - 85' height)
- Utility Corridor
- Potential Sound Transit Parking Garage

DM-9

NORTH

0 500 1000 Feet

From: Sowers, Nytasha [nytasha.sowers@soundtransit.org]
Sent: Tuesday, August 12, 2014 5:06 PM
To: Miranda Redinger
Cc: Sheldon, Matt
Subject: Future development around the 185th Street Station

Hi Miranda,

It was good to speak with you and Steve regarding the great work the City of Shoreline is doing to advance future transit oriented development around the proposed NE 185th Street Station.

It is in both the City's and Sound Transit's interest to encourage development near the station, increasing not only ridership, but creating a walkable, compact, transit community. As we discussed, Sound Transit anticipates ridership at NE 185th Street growing each year and maturing approximately ten years after the station open. Our federal funding application for the project is strengthened when our host cities take actions to encourage more intense land uses around our stations, helping maximize the effectiveness of the regional high capacity transit investment.

As noted in the DEIS, the long term vision to build out the 1.75 mile 185th Street corridor would be achieved over the relatively long 30 to 100 year time frames associated with the alternatives. To encourage development in the short term – ten years after the station opens, there are methods for 'quick starting' projects and creating station area implementation strategies that focus development around the station.

Based on recent transit oriented development work and a review of recent industry studies, Sound Transit would like to suggest the following concepts to help encourage growth around the station in the short term:

1. Phase zoning changes with highest priority to locations closest to the station. Future zoning changes should be considered after reviewing the progress made in earlier phases.
 - Pursue development of nodes within close proximity of the station area, consistent with place making practices. Likely nodes are 1st Avenue NE and N 185th Street; and the area immediately adjacent to the station.
2. Adopt new or modify existing development incentives. Many examples are available that might fit Shoreline's needs. It is critical to determine whether zoning regulations help or hinder development.
 - Scale zoning, incentives, and investments consistent with findings from BAE's market assessment (700 residential units over twenty years and a modest amount of commercial space).
 - Scale zoning changes to align seller and buyer pricing expectations. (Avoid zoning changes that stagnate activity and reduce ridership potential).
3. Create incentives that are a net reduction in cost for developers to expedite new development prior to and shortly after station opening.

Again, we would like to continue conversations around this topic and could bring our technical resources to the table if you are interested in meeting in person to further discuss.

Thank you for your consideration.

Nytasha

Nytasha Sowers
Project Manager

DM-10

Sound Transit, Office of Capital Development

401 South Jackson Street

Seattle, WA 98104

nytasha.sowers@soundtransit.org

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Attachment F

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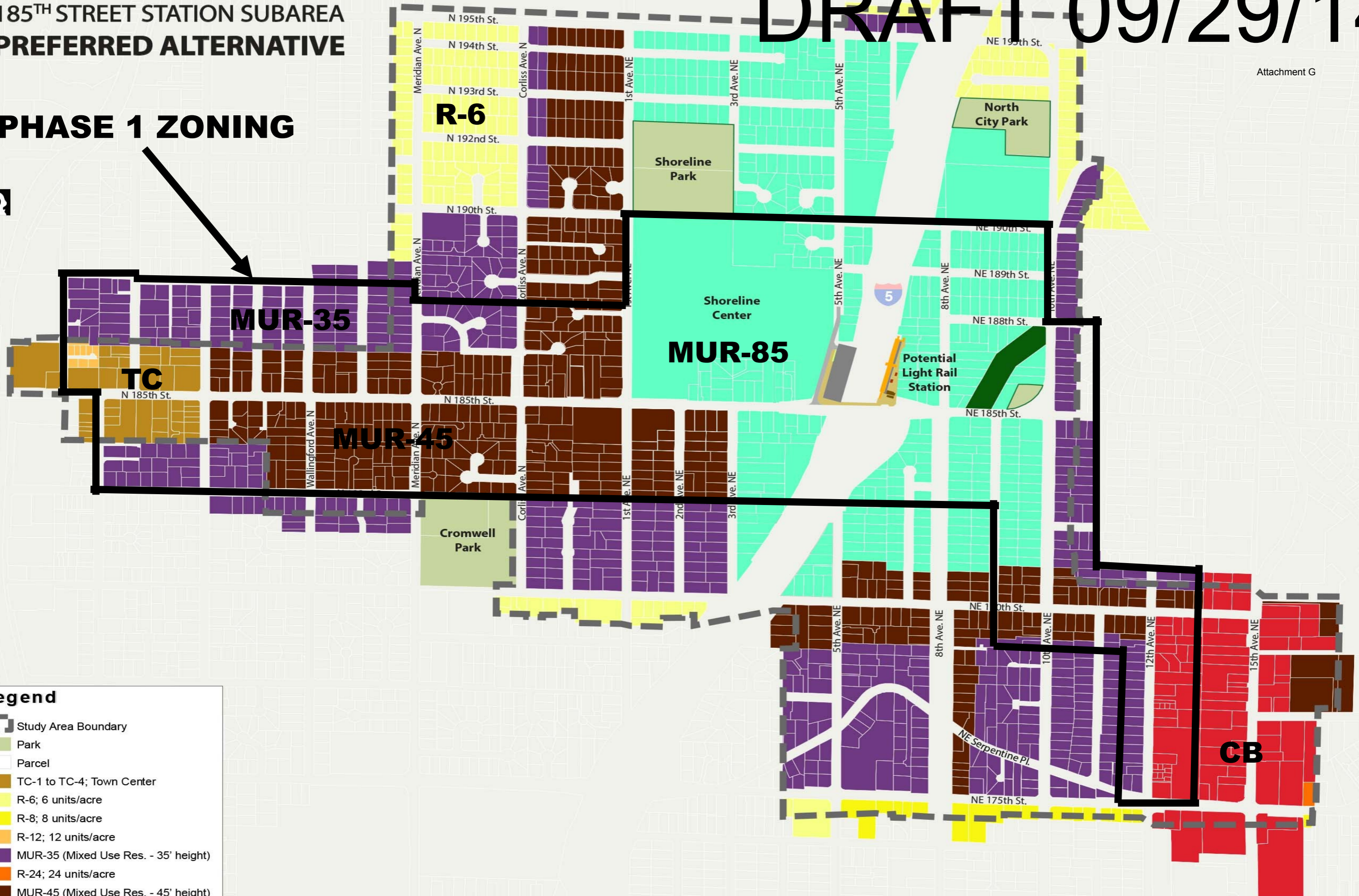
DM-11

185TH STREET STATION SUBAREA
PREFERRED ALTERNATIVE

DRAFT-09/29/14

Attachment G

PHASE 1 ZONING



- Legend**
- Study Area Boundary
 - Park
 - Parcel
 - TC-1 to TC-4; Town Center
 - R-6; 6 units/acre
 - R-8; 8 units/acre
 - R-12; 12 units/acre
 - MUR-35 (Mixed Use Res. - 35' height)
 - R-24; 24 units/acre
 - MUR-45 (Mixed Use Res. - 45' height)
 - CB; Community Business
 - MUR-85 (Mixed Use Res. - 85' height)
 - Utility Corridor
 - Potential Sound Transit Parking Garage

DM-12

