

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

<p>AGENDA TITLE: Central Shoreline: Next Steps to Identify Issues and Solutions DEPARTMENT: Planning and Development Services PRESENTED BY: Tim Stewart, Planning Director</p>

PROBLEM/ISSUE STATEMENT:

On July 14, 2003, Council adopted the amendments to the Comprehensive Plan that set the maximum future right of way lines for the Central Shoreline subarea. This action provided certainty for future redevelopment on the west side of Aurora Avenue, and identified several properties that could be severely impacted by future property acquisition on the east side. The purpose of defining the "next steps" for the Central Shoreline Subarea is to identify the problems and viable solutions. Issues that might be addressed in the "next steps" include:

- The property owners and business operators located on the east side of Aurora Avenue in the Central Subarea still have many uncertainties regarding future development
- Ronald Place has been identified in the Central Shoreline Subarea Plan as having the potential to be vacated and redeveloped. How viable is this option? What will happen to the "red brick road"?
- A concept for redevelopment of the properties located on in "the wedge" (the properties that have frontage on Aurora Avenue North that are bounded to the East by Ronald Place) is identified in the Central Shoreline Plan. How marketable is the concept?
- How and when will right of way acquisition occur in the Central Shoreline area?
- What will be the future alignment of the Aurora Avenue frontage improvements, Interurban trail, Seattle City Light right of way and Midvale Avenue North of 175th Street?
- Can the BAT lanes be removed from Aurora Avenue in the Central Area and buses rerouted on to Midvale Avenue?

ALTERNATIVES ANALYZED:

- Alternative #1: Two Demonstration Sites (staff recommended alternative) The properties that will be most directly impacted by the acquisition of right of way in the Central Area are located between North 172nd Street and 180th Street on the east side of Aurora Avenue North. This alternative would focus on working with the property and business owners to identify the issues and develop site specific solutions for redevelopment for two demonstrations sites: Aurora Rents (site A), "the Wedge" (site B).

- **Alternative #2: Complete Subarea Plan and Environmental Review.** Resolve redevelopment uncertainties in the Central Subarea by working with the property and business owners to aggressively implement the Central Subarea Plan similar to the North City Subarea Plan. This could include completing a planned action EIS, preparing economic and market analysis, facilitating dialogues between property owners regarding the consolidation of parcels, and investing in capital improvements in the area.
- **Alternative #3: Status Quo** – rely upon property owners to take the lead for redevelopment in the Central Subarea similar to the Top Foods project. City staff would be available to provide information on the Subarea Plan, Development Code standards and permitting processes, but the developer would be responsible for all other negotiations with other property owners, market analysis, etc.

FINANCIAL IMPACT:

Currently, there is \$31,800 in the 2003 budget for the Central Shoreline Plan that can be used to fund the alternative chosen by Council. Additional funds would have to be allocated by the Council from the general fund reserve as a one-time expenditure or another work item would have to be removed from the budget to accommodate alternatives 1 or 2 above.

Although detailed cost estimates have not be developed for any of the above alternatives, the general costs are as follows:

- Alternative #1: Approximately \$50,000-\$100,000 for consulting contract(s) + a 50% FTE
- Alternative #2: More than \$200,000 + 1 FTE
- Alternative #3: general staff time (current budget and staffing sufficient)

RECOMMENDATION

Staff is seeking direction on which of the alternatives presented or a new alternative identified by Council would the Council like staff to develop a scope, budget and schedule and when would the Council like to have this information. Staff recommends Alternative #1 Two Demonstration Sites.

Approved By: City Manager  City Attorney N/A

INTRODUCTION

On July 14, 2003, Council adopted amendments to the City's Comprehensive Plan that defined the maximum future right of way needs of the Central Shoreline Subarea, which is geographically defined as Aurora Avenue North from North 172nd Street to North 192nd Street. These amendments provided certainty to the property owners on the west side of Aurora in the Central Shoreline Subarea that virtually no right of way would need to be acquired on the west. However, on the east side of Aurora Avenue, the amendments identified several properties that would be directly impacted by the acquisition of right of way. Those properties and businesses on the east side of Aurora Avenue in the Central Shoreline Subarea are the subject of this report.

BACKGROUND

Council last discussed the idea of defining the "next steps" for the Central Shoreline Subarea Plan at the July 21, 2003 meeting. At that meeting Council asked staff to bring back alternatives for the Council's consideration regarding how to address the issues and define solutions for the properties and businesses on the east side of Aurora Avenue in the Central Shoreline Subarea.

DISCUSSION

It may be difficult to define all of the issues and solutions prior to the completion of additional work by staff. However, there is a desire to be as responsive to the property and business owner's feelings of uncertainty sooner rather than later.

In response to the Council's request to outline the "next steps", staff defined the goals for this project as:

- To align the needs of the property and businesses owners located within the Central Shoreline Subarea with the right of way needs for the Aurora Corridor project, Interurban trail and redevelopment;
- Understand the needs of the property and business owners in the Central Shoreline Subarea;
- Identify solutions and options to address the needs of the property and business owners in the Central Shoreline Subarea; and
- Work with property and business owners to find solutions for site specific issues.
- Resolve development uncertainties in the Central Subarea by working directly with the property and business owners.

Discussion of Alternatives

Alternative #1: Two Demonstration Sites (staff recommended alternative) The properties that will be most directly impacted by the acquisition of right of way in the Central Area are located between 172nd Street and 180th Street on the east side of Aurora Avenue North. This alternative would focus on working with the property and business owners

to identify issues and develop solutions for redevelopment for two demonstration sites: Aurora Rents (site A) and "the Wedge" (site B).

The first step will be to conduct preliminary meetings and negotiations with the demonstration site owners to evaluate needs and desired outcomes. Based on this information, site specific solutions in such a form as development agreements could be produced. These agreements would involve:

- the development of design solutions;
- facilitation of discussions with the property owners regarding possible consolidation of parcels to recreate viable lots for redevelopment;
- conducting market and feasibility research;
- coordinating negotiations with King County Metro, Seattle City Light, and the City regarding street vacations, access and parking needs, changes in bus traffic, etc. for the purposes of reducing the amount of right of way required or increasing the amount of land available to support businesses;
- defining and completing the environmental review necessary to implement the development agreements;
- more specifically determining the alignment of the Interurban trail and Aurora Corridor in relationship to the demonstration sites; and
- developing the partnerships necessary to achieve the desired outcomes; and
- defining the costs for implementing the agreements and determining who will be responsible for paying for implementation.

This alternative focuses on the properties and businesses that have been identified as being the most severely impacted by the implementation of the Aurora Corridor project as opposed to design and implementation for the entire Subarea.

Budget: This alternative would require the dedication of a ½ time employee to manage the project. Current staff would not be able to complete this project. Therefore, an additional staff person would need to be hired or the work program of another project would have to be removed or reduced from the Planning and Development Services work plan. The consultant contracts are anticipated to range from \$50,000 - \$100,000. There is currently \$31, 800 available in 2003 to fund this project and no funds in 2004.

Alternative #2: Complete the Subarea Plan and Environmental Review. Resolve redevelopment uncertainties in the Central Shoreline Subarea by working with all of the property and business owners on both the east and the west sides of Aurora Avenue North and other stakeholders such as Seattle City Light and King County Metro Transit to aggressively develop, adopt and implement the Central Subarea Plan. This alternative would be similar to the implementation of the North City Subarea Plan. This could include:

- Selecting 4-6 sites to design and develop as Demonstration Projects;
- A City funded planned action EIS on the preferred development alternative;
- Preparing economic and market analysis specific to the area to exist in defining future uses and business opportunities;
- Facilitating dialogue between property owners regarding the consolidation of parcels; and
- City Investment in capital improvements in the area.

Budget: This alternative would likely require the dedication of one full time employee to manage the project. Current staff would not be able to complete this project. Therefore, an additional staff person would need to be hired or the work program of another project would have to be removed or reduced from the Planning and Development Services work plan. The consultant contracts are anticipated Cost more than \$200,000. There is currently \$31, 800 available in 2003 to fund this project.

Alternative #3: Status Quo – rely upon property owners to take the lead for redevelopment in the Central Shoreline Subarea similar to the Top Foods project. City staff would be available to provide information on the area, Development Code standards and permitting processes, but the developer would be responsible for all other negotiations with other property owners, market analysis, and all associated design, construction and infrastructure improvements.

Budget: This alternative would be funded by fee from development permits and would not require any supplemental appropriation of city funds.

STAKEHOLDERS

- City Council
- Central Shoreline Property Owners
- Central Shoreline Business Owners
- Seattle City Light
- Users of Aurora Avenue North
- King County Metro Transit

RECOMMENDATION

Staff is seeking direction on, which of the alternatives presented or a new alternative identified by Council would the Council like staff to develop a scope, budget and schedule and when would the Council like to have this information. Staff recommends selecting Alternative #1 Two Demonstration Sites.

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