Council Meeting Date: November 28, 2011 Agenda Item: 8(c)

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Ordinance No. 616, Adopting the Legislative Rezone to Implement

Southeast Neighborhoods Subarea Plan

DEPARTMENT: Planning and Community Development

PRESENTED BY: Joseph W. Tovar, FAICP, Director of Planning and Community

Development

Steven Cohn, Senior Planner

Miranda Redinger, Associate Planner

ACTION: x Ordinance Resolution Motion

___ Discussion ____ Public Hearing

PROBLEM/ISSUE STATEMENT:

The City Council discussed the zoning proposal recommended by the Planning Commission at the Council meeting on October 10, and held a subsequent study session on November 7 to consider alternative zoning. The November 7 staff report can be found at the following link:

http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/Council/Staffreports/2011/Staffreports/10711-7a.pdf. On November 7 the Council directed staff to bring the original recommendation from the Planning Commission back to Council for a vote to adopt or modify. Attachment A is the map of the recommended rezone as proposed by the Planning Commission. Attachment B includes larger views of the commercial areas around 15th and Bothell Way, and displays Comprehensive Plan designations as well as current and proposed zoning.

RESOURCE/FINANCIAL IMPACT:

No direct financial impacts are anticipated at this time.

RECOMMENDATION

Staff recommends that Council adopt or amend Ordinance No. 616 (Attachment D), which would implement the zoning proposal to implement the southeast neighborhoods subarea plan. If Council decides to make amendments to the recommended rezone that are beyond the scope considered in the public hearing held by the Planning Commission on September 1, 2011, or the SEPA determination issued on June 14, 2011, additional analysis will be necessary before the City Council can adopt any rezone to implement the southeast neighborhoods subarea plan.

Approved By: City Manager ____ City Attorney _____

DISCUSSION

Outstanding questions remaining from the November 7th Council discussion mostly relate to how property values are impacted as a result of zoning changes.

Staff has been able to discuss with Michelle Hagen, the Commercial/Business Director within the King County Assessor's Office, the impacts of rezones on commercial property. As Council is aware the assessor must base property values on the highest and best use of the property based on its zoning. The assessor will use property that has the same zoning designation throughout the City to help assess property values. For example the assessor will look at the value of other community business zoned property throughout Shoreline in helping to determine the value of community business zoned property in the southeast neighborhood. Recent sales of any community business zoned property in the City will be used to help evaluate the property's value.

The assessor is required by law to value the property as if vacant. In valuing commercial property the assessor uses an income approach to get the total value of the property. From the total value the assessor deducts the land value to get the remaining value which is attributed to existing improvements, such as buildings. This is why often staff sees large buildings with a very small assessed value as compared to the value of the land that the building occupies. The assessor's office did say that determining the total value and subsequent land and improvement value with this methodology is unique for governments in Washington.

Changes in assessed valuation based on zoning do not increase the overall property taxes that the City or other taxing districts may collect, as the change in levy is limited by either State law to 1% or by other escalation limitations that may have been approved by voters. Although this is the case, the change in assessed value may cause some shift in tax burden from one property owner to another.

Representatives from the Assessor's Office are not available to meet this evening, but they are very interested in attending a future Council meeting to answer questions that the Council may have. Staff intends to invite them to a meeting in January or February 2012.

The other pertinent issue is concern expressed by both the Planning Commissioners and City Council members regarding how long it will take to adopt regulations for the Community Business (CB) zone to implement recommendations in the Subarea Plan. Commission and Council will have an opportunity to discuss the scope of this work in January of 2012. In preparation of this discussion staff has outlined a preliminary work plan (Attachment C). Decisions that will need to be made include whether new regulations will potentially increase height and bulk, incorporate design and transition standards similar to Town Center, or utilize other tools to codify the vision for a neighborhood commercial zone.

STAKEHOLDER OUTREACH

Staff has updated the Southeast Neighborhoods Subarea Plan web page to include the map currently under consideration and sent an email to the distribution list announcing potential adoption or amendment on November 28th.

Staff will incorporate a process for outreach and input into the future revisions to Community Business zoning.

RECOMMENDATION

Staff recommends that Council adopt or amend Ordinance No. 616 (Attachment D), which would implement the zoning proposal to implement the southeast neighborhoods subarea plan. If Council decides to make amendments to the recommended rezone that are beyond the scope considered in the public hearing held by the Planning Commission on September 1, 2011, or the SEPA determination issued on June 14, 2011, additional analysis will be necessary before the City Council can adopt any rezone to implement the southeast neighborhoods subarea plan.

ATTACHMENTS

Attachment A - Proposed Zoning Map

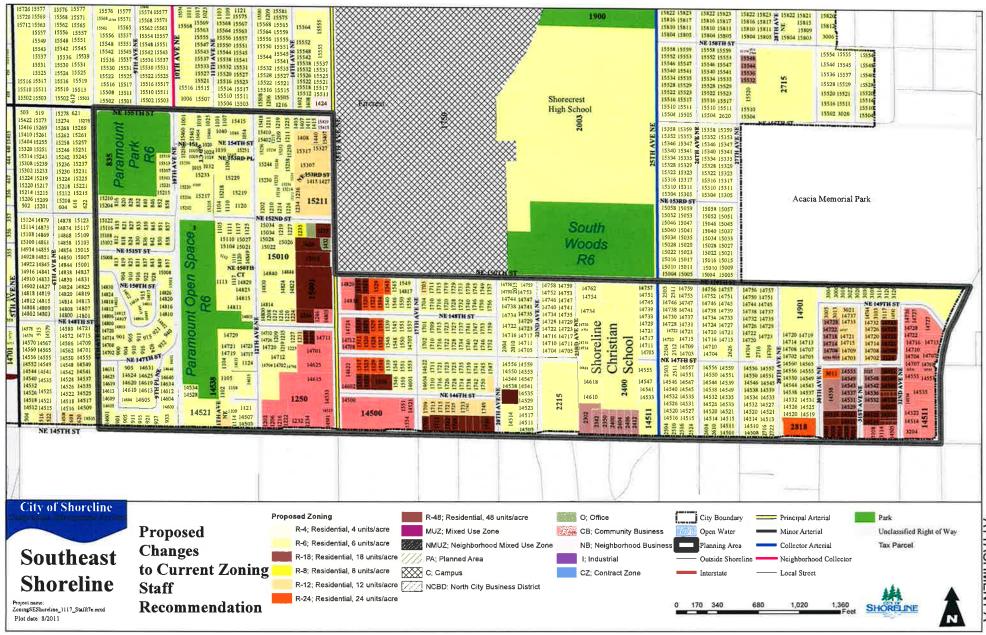
Attachment B - Comparison of Comprehensive Plan, current and proposed zoning designations for commercial areas

Attachment C - Preliminary work plan for revising Community Business standards

Attachment D - Ordinance No. 616

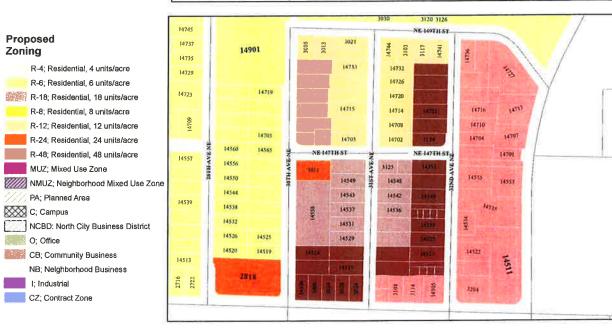
Exhibit 1 – Southeast Shoreline Zoning Map

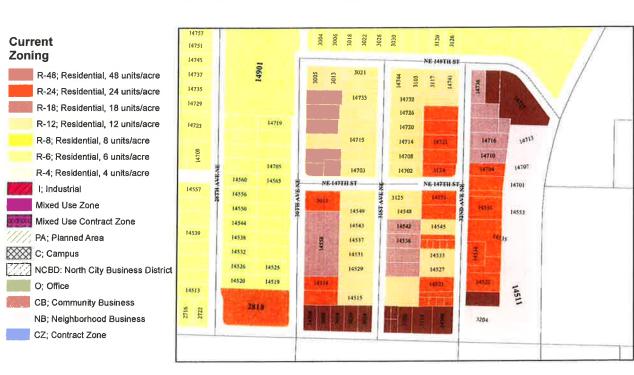
Exhibit 2 - Southeast Shoreline Proposed Changes to Current Zoning











ATTACHMENT B

Comprehensive Plan

LDR; Low Density Residential

MDR; Medium Density Residential HDR; High Density Residential

MU; Mixed Use

CB; Community Business

RB; Regional Business

PF; Public Facilities

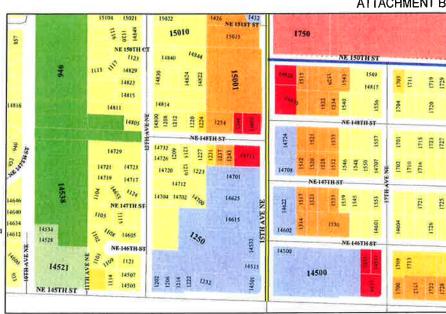
C; Campus Planned Area 3

SSA; Special Study Area

BaSSA; Ballinger Special Study Area NCBD; North City Business District

PrOS; Private Open Space

POS; Public Open Space



Proposed Zoning

R-4, Residential, 4 units/acre

R-6; Residential, 6 units/acre

R-18; Residential, 18 units/acre R-8; Residential, 8 units/acre

R-12; Residential, 12 units/acre

R-24; Residential, 24 units/acre

R-48, Residential, 48 units/acre

MUZ; Mixed Use Zone

NMUZ; Neighborhood Mixed Use Zone

PA; Planned Area C; Campus

NCBD: North City Business District

O; Office

CB; Community Business

NB; Neighborhood Business

I; Industrial

CZ, Contract Zone



Current **Zoning**

R-48; Residential, 48 units/acre

R-24; Residential, 24 units/acre R-18; Residential, 18 units/acre

R-12; Residential, 12 units/acre

R-8; Residential, 8 units/acre

R-6; Residential, 6 units/acre

R-4; Residential, 4 units/acre

I; Industrial

Mixed Use Zone

Mixed Use Contract Zone

PA; Planned Area

C; Campus

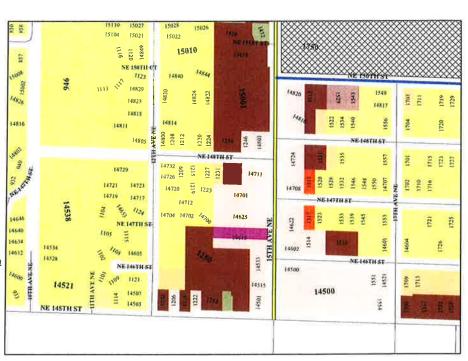
NCBD: North City Business District

O; Office

CB; Community Business

NB; Neighborhood Business

CZ; Contract Zone



DRAFT Work Plan for Improving Design, Neighborhood Transition, and Public Amenity Standards

for all Commercial Zones (NB, O, NCBD, CB, MUZ & I)

- The City has earlier iterations of different and incomplete design standards under current Commercial/Mixed Use standards and in NCBD, Ridgecrest, and MUZ zones.
- Condense zones: O into NB, NCBD into CB, and I (and possibly Ridgecrest) into MUZ, because there are few of O, NCBD, and I areas and each zone pair has parallel land use and dimensional standards.
- Adapt Town Center design standards for commercial, mixed use, and multifamily development in all commercial districts while maintaining their respective permitted land uses and dimensional standards.
- Timing: Soon while Town Center is still fresh in public's mind.

Task	Date	Description
Council Direction	November 2011	•
Staff research & prepare draft amendments to update NB, O, NCBD, CB, MUZ & I zones	November – December 2011	 Identify potentially effected zones on a map. Adapt and adjust Town Center standards to be used in all commercial zones throughout the City. Determine appropriate form & transition for development in these zones based on geographic context.
City Webpage	January 2012	Announce Project
Present to Council of Neighborhoods Meeting	January 2012	Draft Amendments
Present to Local Business Associations	February 2012	Draft Amendments
Currents Article		Amendment Purpose and Highlights
Target mailer to residential areas within a 5 minute walk of commercial zoned parcels, businesses, commercial property owners, & SE Shoreline Subarea Plan interested parties.	February 2012	 Include summary of draft amendments. Describe purpose of the proposed amendments. Describe why they are receiving this information. Announce Open House. Include schedule of outreach/PC/CC meetings, hearings, etc.
Public Open House	March 2012	 Present rationale and proposed amendments. Receive written and online feedback. Ask Planning Commission to attend. Describe next steps.

Planning Commission Study Sessions (2)	April – May 2012	
Planning Commission Public Hearing	May 2012	
City Council Study Meeting (2)	June 2012	
City Council Adoption (3)	July 2012	

ORDINANCE NO. 616

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING THE CITY'S ZONING MAP TO CHANGE THE ZONING FOR CERTAIN PROPERTIES IN THE SOUTHEAST NEIGHBORHOODS SUBAREA

WHEREAS, the City of Shoreline initiated a legislative rezone of certain properties located in the Southeast Neighborhoods Subarea; and

WHEREAS, City of Shoreline staff held community meetings on the rezone of those properties on March 19, 2008, May 20, 2008, June 16, 2009, September 21, 2010, March 8, 2011 and June 14, 2011; and

WHEREAS, the Planning Commission held public meetings on the rezone of those properties on July 1, 2010, August 2, 2010, October 21, 2010, November 18, 2010 and March 17, 2011, and conducted a public hearing on September 1, 2011; and

WHEREAS, on June 21, 2011, a Determination of Non Significance was issued for the proposed rezone; and

WHEREAS, on September 1, 2011, the Planning Commission recommended approval of the rezone of those properties in the Southeast Neighborhoods Subarea; and

WHEREAS, the City Council considered the Planning Commission recommendation on October 10, 2011, November 7, 2011, and November 28, 2011; and

WHEREAS, the City Council finds that the rezone of those certain properties located within the Southeast Neighborhoods Subarea is consistent with the Comprehensive Plan, is not adverse to and is in the interest of citizens and property owners;

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

- **Section 1.** <u>Amendment to Zoning Map</u>. The Official Zoning Map of the City of Shoreline is hereby amended to change the zoning classification of those certain identified properties in the Southeast Neighborhoods Subarea from the zoning depicted in Exhibit 1 to the zoning depicted in Exhibit 2.
- **Section 2.** <u>Severability.</u> If any provision of this ordinance or the application of a provision to any person or circumstance is declared invalid, then the remainder of this Ordinance, or the application of such provision to other persons or circumstances, shall not be affected.

Section 3. <u>Publication, Effective Date</u>. A summary of this ordinance consisting of the title shall be published in the official newspaper and the ordinance shall take effect five days after passage and publication.

ADOPTED BY THE CITY COUNCIL ON NOVEMBER 28, 2011.

	Keith A. McGlashan, Mayor
ATTEST:	APPROVED AS TO FORM:
Scott Passey	Ian Sievers
City Clerk	City Attorney
Date of publication:	
Effective date:	

