Council Meeting Date: August 25, 2014 Agenda Item: 8(b)

# CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: 185th Street Light Rail Station Subarea Planning - Motion to Select

a Preferred Alternative to be Analyzed in Final Environmental

Impact Statement

**DEPARTMENT:** Planning & Community Development **PRESENTED BY:** Miranda Redinger, Senior Planner

Rachael Markle, AICP, Director, Planning & Community

Development

**ACTION:** Ordinance Resolution X Motion

\_\_ Discussion \_\_\_\_ Public Hearing

#### PROBLEM/ISSUE STATEMENT:

On August 11, 2014, Council discussed options for the Preferred Alternative zoning scenario to be analyzed as part of the Final Environmental Impact Statement (FEIS) for the 185<sup>th</sup> Street Station Subarea Plan (185SSSP). Based on Council consensus on August 11, staff produced Alternative 4A (Attachment A). Since that time staff has generated two additional alternatives (4B and 4C) and two Councilmembers have requested alternatives (4D and 4E). Tonight Council will choose a final option to be analyzed in the FEIS. Following this decision, the consultant team at OTAK will begin drafting the FEIS, Subarea Plan, and Planned Action Ordinance for adoption in early 2015.

Although Alternative 4A is the base map from Council's discussion on August 11, the Council could make a motion to adopt any of the alternatives as the "Preferred Alternative" and then amendments could be made to that alternative.

#### RESOURCE/FINANCIAL IMPACT:

No direct financial or resource impacts are anticipated as a result of this update, although decisions about the Preferred Alternative may have an impact on the project timeline.

# **RECOMMENDATION**

Staff recommends that Council discuss Alternatives 4A-E (Attachments A-D) and move to select a Preferred Alternative to be analyzed in the FEIS for the 185SSSP.

Approved By: City Manager **DT** City Attorney **JA-T** 

#### **BACKGROUND**

According to the Washington Department of Ecology State Environmental Policy Act (SEPA) Handbook, the EIS process is a tool for identifying and analyzing probable adverse environmental impacts, reasonable alternatives, and possible mitigation for projects meeting certain thresholds. The EIS process provides opportunities for the public, agencies, and tribes to participate in developing and analyzing information; improves proposals from an environmental perspective; provides decision-makers with environmental information; and provides the information necessary for conditioning or denying the proposal.

Additional explanation of Shoreline's EIS process to date is included in the August 11 staff report, which can be accessed at the following link: <a href="http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2014/staffreport081114-8a.pdf">http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2014/staffreport081114-8a.pdf</a>.

### **DISCUSSION**

The following discussion requires reference to the companion maps, included as Attachments A-D to this staff report. Each area is labeled consistently with previous discussions of these options and new options put forth by Councilmembers or staff. For more information on the origin of each request, potential benefits and disadvantages, and the Planning Commission recommendation for each, Council should reference the August 11 staff report linked above.

The August 11 staff report and presentation also described a transition in names and standards of the zoning categories R-18 to MUR-35, R-48 to MUR-45, and MUR to MUR-85. In this staff report and accompanying presentation, only the new (MUR) names will be used.

Because there appeared to be general consensus with the Planning Commission recommendation regarding many of the options at the August 11 Council meeting, staff has simplified the maps by removing the hatch marks previously intended to illustrate what zoning was analyzed in the Draft EIS as opposed to the zoning recommended for study in the FEIS by the Planning Commission. This will allow Council to envision how each scenario would look, without the distraction of hatch marks. Each Alternative included in the Attachments is described below:

### Alternative 4A (Attachment A)

This map is an attempt to capture Council consensus from the August 11 meeting as a starting place for potential additional amendments.

Council seemed to concur with the Planning Commission recommendation for Areas A, B, D, E, F, G, and H. Staff made an amendment to Area H (in all alternatives) to correct an oversight. When the Planning Commission recommended adjusting the northern boundary of Area H based on a recommendation by the Clark Design Group to provide zoning transitions at the street rather than mid-block, the four parcels to the east of the new zoning, on the west side of Meridian Avenue N, should have been adjusted to be consistent

- with zoning on either side. This amendment corrects that oversight rather than leaving a small island of R-6 in between larger areas of MUR-35.
- Council requested that Areas C and K revert back to the R-6 designation under which they were analyzed in the Draft EIS. Areas I and J are shown as they were in the Planning Commission recommendation, but it was understood that they would remain the focus of discussion. Alternatives 4B, 4C, 4D, and 4E represent various options for these areas that Council may consider for analysis in the FEIS. If Area J retains the MUR-45 designation, parcels adjacent to Area K could be subject to transition standards if applied to R-4, 6 or 8 properties located across a street from MUR-45, which could include increased setbacks and set-backs as per SMC 20.50.021.

## Alternative 4B (Attachment B)

This map is similar to Alternative 4A, with the exceptions of Areas I, J, L, and M. This option is a staff developed alternative.

- North of N 190<sup>th</sup> Street, Area J is shown in this version with an MUR-35 designation, as opposed to MUR-45. The lower half is now shown as part of Area F.
- Area L represents a new option presented by staff as a way to transition from the MUR-85 designation in Area I to the R-6 designation in Area K using entire blocks. In this version Area L would be analyzed in the FEIS as MUR-45 and Area J would be analyzed as MUR-35.
- Area M encompasses both the Shoreline Center and North City Elementary properties, both of which are owned by the Shoreline School District. In the Draft EIS, these parcels were analyzed with a designation of Master Use Permit (MUP), which was anticipated to have a maximum height of 140 feet. Because this would be a new zoning category for Shoreline, staff began researching options for how to use an MUP process to provide flexibility, but also condition development to include amenities desired by the community, such as affordable housing, green building, and access through the site, in exchange for additional height and density. Development agreements emerged as a tool that seemed most appropriate, and staff is discussing how these would work with the Planning Commission as part of potential Development Code regulations to be adopted with the 185SSSP.

Current thinking is that the MUP zoning designation is unnecessary and that the same goal could be accomplished with a base zoning of MUR-85, which could accommodate additional height in exchange for community amenities if certain conditions are met, including a minimum lot size. In the Draft EIS, School District properties were the only areas that could potentially achieve this height, but under the scenario depicted in Alternatives 4B, 4C, 4D and 4E, additional height could be achieved anywhere in the MUR-85 zone with the approval of a development agreement. Some may see this as a benefit, and others may see it as a disadvantage, so Council will want to discuss potential merits and

drawbacks before making a decision. If Council chooses an option that includes this change, heights above 85 feet will be analyzed as part of the Final EIS.

## Alternative 4C (Attachment B)

This is essentially the same as Alternative 4B, but with the MUR-85 designation in Area I transitioning directly to the MUR-35 designation in Area J, without the intermediary MUR-45 designation shown in 4B. This is a staff developed alternative.

## **Alternative 4D (Attachment C)**

This map is another option for how to transition from MUR-85 in Area I to R-6 in Area K, using the depth of one or two parcels as opposed to an entire block. In this scenario, Area L represents the transition area along the eastern edge of Corliss Avenue N. This alternative was requested by Councilmember Hall.

# **Alternative 4E (Attachment D)**

This map builds off of 4A, with the only difference being Area L, which in this version would analyze the parcels north of 195<sup>th</sup> Street, and between the cemetery and the interstate as MUR-35 instead of R-6. This alternative was requested by Councilmember Roberts.

# Making a Motion on the Preferred Alternative

If Council chooses to adopt any of the alternatives presented as 4A-E, a motion could directly reflect this choice. Council may also choose to amend any of the alternatives, in which case the main motion would reference the base map and amendments to the main motion would reflect this, and be voted on individually to create a new alternative that would be analyzed in the FEIS as the Preferred Alternative.

It is worth noting that this motion is simply to study the Preferred Alternative with regard to impacts over the 20-year planning horizon of the EIS and potential future build-out, not to adopt zoning. Adoption of zoning, which could be different than what was analyzed, would occur concurrently with adoption of the 185SSSP.

## NEXT STEPS

Once a Preferred Alternative has been chosen, OTAK (the project consultants) will begin drafting the FEIS, Subarea Plan, and Planned Action Ordinance. Staff and the Planning Commission will discuss potential Development Code regulations that will determine dimensional, design, and transition standards, and provide incentives or requirements for green building, affordable housing, etc. at Commission meetings in August, September, October, and possibly November. When the FEIS is completed, it may be necessary for Council to discuss the results and determine whether to direct the Planning Commission and staff to include zoning that was analyzed for adoption as part of the 185SSSP or to amend zoning prior to inclusion in the Plan. Only options analyzed in the Draft or FEIS could be considered.

When the FEIS, Subarea Plan, Planned Action Ordinance, and Development Code regulations are ready, the Planning Commission will hold a public hearing on all of these documents and make a recommendation before sending them to Council for final revisions and adoption. The current schedule has the public hearing slated for the end

of 2014, with final adoption early in 2015. Following adoption, Development Code regulations and Comprehensive Plan and zoning designations will change, and market forces and property owner decision-making will determine the pace and intensity of redevelopment over decades and possibly generations.

### RESOURCE/FINANCIAL IMPACT

No direct financial or resource impacts are anticipated as a result of this update, although decisions about the Preferred Alternative may have an impact on the project timeline.

### RECOMMENDATION

Staff recommends that Council discuss Alternatives 4A-E (Attachments A-D) and move to select a Preferred Alternative to be analyzed in the FEIS for the 185SSSP.

# **ATTACHMENTS**

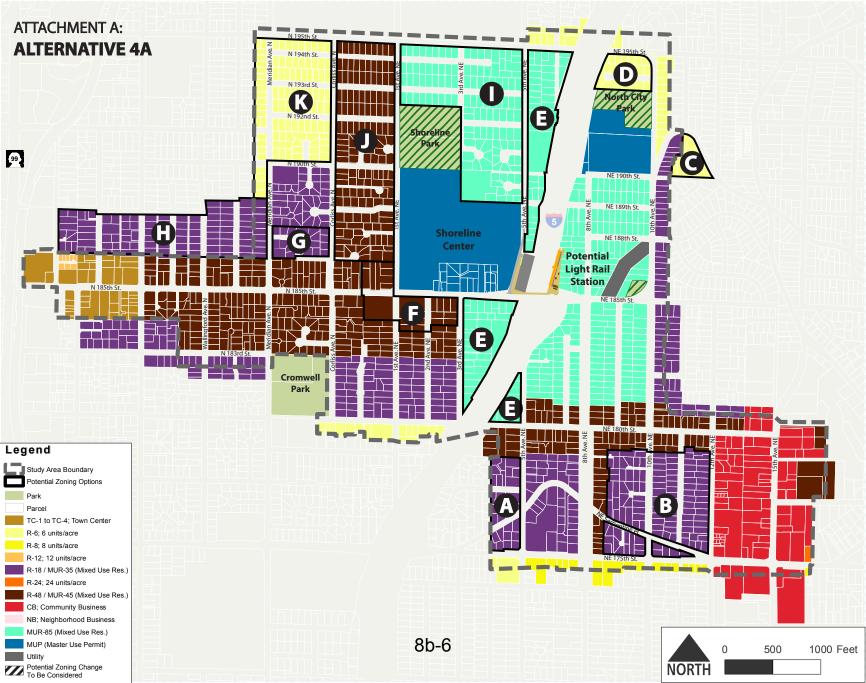
Attachment A - Alternative 4A

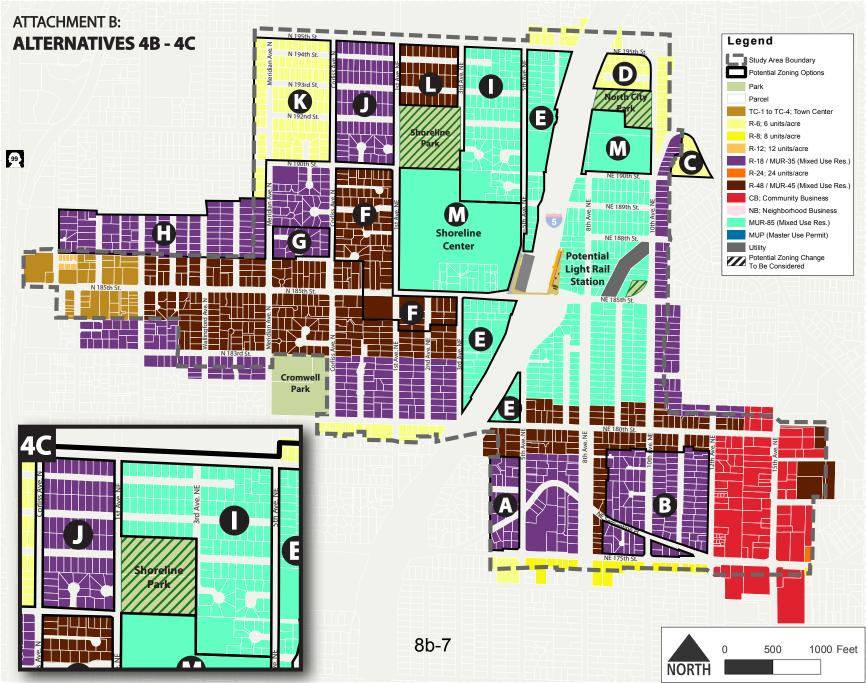
Attachment B - Alternative 4B and 4C

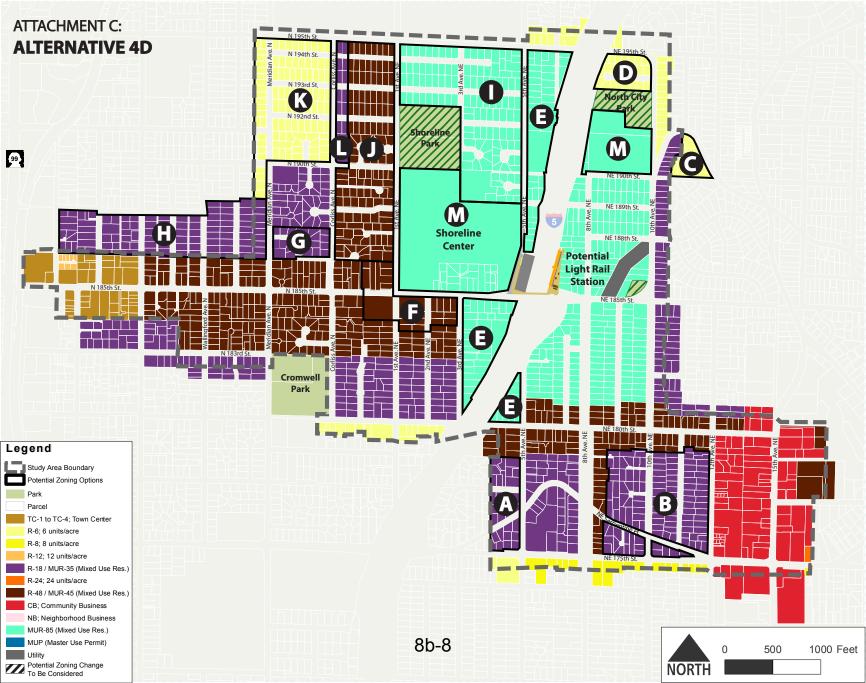
Attachment C - Alternative 4D

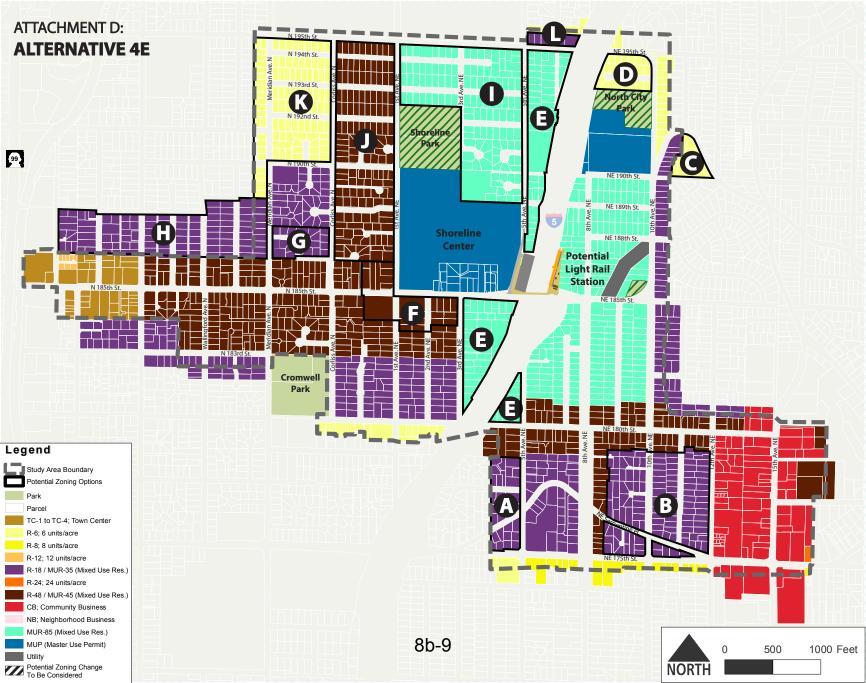
Attachment D - Alternative 4E

Attachment E - Email from Sound Transit Regarding 185SSSP









Attachment E

From: Sowers, Nytasha [nytasha.sowers@soundtransit.org]

Sent: Tuesday, August 12, 2014 5:06 PM

To: Miranda Redinger
Cc: Shelden, 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 185<sup>th</sup> 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 185<sup>th</sup> 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 1<sup>st</sup> Avenue NE and N 185<sup>th</sup> 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

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