

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Action on Ordinance No. 968 – Amending Chapters 20.30, 20.40, and 20.50 of the Shoreline Municipal Code to Modify Regulations for Development Within the MUR-70’ Zoning District
DEPARTMENT:	Planning and Community Development
PRESENTED BY:	Andrew Bauer, Planning Manager
ACTION:	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

With several years having passed since City Council adoption of the two light rail station subarea plans and initial development code regulations, opportunities have been identified to refine the MUR-70’ zone to better facilitate implementation of the plans. Stemming from the discussion at the October 25, 2021, joint meeting between the City Council and Planning Commission, the Planning Commission has continued work on Development Code amendments that would:

- Establish provisions to reduce off-street parking requirements up to 50%, with approval of a Transportation Demand Management (TDM) Plan; and
- Revise the process and requirements by which development may achieve the maximum allowable building height of 140 feet by removing the requirement for a Development Agreement.

Tonight, Council is scheduled to take action on the Planning Commission’s recommended MUR-70’ zone development code amendments, which were discussed by the City Council on June 6, 2022. These proposed amendments are in proposed Ordinance No. 968 (Attachment A). Following the June 6th Council discussion, Councilmembers proposed some amendments to the Planning Commission’s recommendation set forth in proposed Ordinance No. 968, which are included for Council’s consideration in this staff report.

RESOURCE/FINANCIAL IMPACT:

The proposed Development Code amendments in proposed Ordinance No. 968 will not have a direct immediate financial impact to the City. Additional staff resources would be needed to review traffic demand management (TDM) plans associated with new developments and periodically check-in on the performance in future years.

RECOMMENDATION

The Planning Commission has recommended adoption of the proposed amendments in Attachment A, Exhibit A of proposed Ordinance No. 968. Staff further recommends adoption of Ordinance No. 968.

Approved By: City Manager ***DT*** City Attorney ***MK***

BACKGROUND

The City's light rail station subarea plans for the 185th and 145th Station Subareas were adopted in 2015 and 2016, respectively. The plans call for the subareas surrounding the future light rail stations to transform into compact transit-oriented communities with a range of housing types, open space, and services. The plans are generally performing as anticipated through the first 6+ years since adoption.

Many of the development challenges identified in the plans are playing out, such as aggregating small lots into sites large enough to accommodate the scale of development envisioned – particularly in the MUR-70' zone where the highest density development is allowed.

Even with these challenges, there are multiple new developments actively under review and in varying stages of the permit pipeline. However, as with any plan, refinements and updates are periodically needed to respond to feedback and observed outcomes. The purpose of these Development Code amendments included in proposed Ordinance No. 968 (Attachment A) is to refine the Code to facilitate better development outcomes in the MUR-70' zone without compromising on core elements of the plans which advance the broader citywide goals of creating housing choices affordable to range of income levels and supporting sustainability goals.

The Planning Commission's recommended Development Code amendments included in proposed Ordinance No. 969 were presented to the City Council at their June 6, 2022 meeting. This included a memorandum from the Planning Commission to the Council regarding their recommendation. The staff report for this June 6th Council discussion can be viewed at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2022/staffreport060622-9b.pdf>.

DISCUSSION

Council Amendments

Following the Council discussion on June 6th, multiple Councilmembers proposed amendments to the Planning Commission recommendation. Below are the Councilmember proposed amendments (provided in *italics* and **highlighted** in the various Code sections), staff's recommendation, and a brief discussion. A summary table of the proposed Council amendments is included with this staff report in Attachment B.

Council Amendment #1 – SMC 20.30.297(C)(3)

Staff Recommendation – *Neutral*

This proposed Council amendment would add additional requirements for noticing of the neighborhood meeting and opportunity for public comment.

Planning Commission Recommendation – SMC 20.30.297(C)

- A. Administrative design review approval of departures from the design standards in SMC 20.50.160 through 20.50.190, 20.50.220 through 20.50.250, 20.50.450 through 20.50.510 and SMC 20.50.530 through 20.50.620 shall be granted by the Director upon their finding that the departure is:
1. Consistent with the purposes or intent of the applicable subsections; or
 2. Justified due to unusual site constraints so that meeting the design standards represents a hardship to achieving full development potential.
- B. Projects applying for the Deep Green Incentive Program by certifying through the Living Building or Community Challenge, Petal Recognition, Emerald Star, LEED-Platinum, 5-Star, 4-Star, PHIUS+, PHIUS+ Source Zero/Salmon Safe, or Zero Energy/Salmon Safe programs may receive departures from development standards under Chapters 20.40, 20.50, 20.60, and/or 20.70 SMC upon the Director's finding that the departures meet subsections (A)(1) and/or (2) of this section, and as further described under SMC 20.50.630. Submittal documents shall include proof of enrollment in the programs listed above.
- C. Developments in the MUR-70' zone exceeding the base height and which are not utilizing the significant tree retention height incentive in Table 20.50.020(2), footnote 12, or the height incentive within the Deep Green Incentive Program in SMC 20.50.630, shall be subject to Administrative Design Review approval. The Director shall grant approval of developments up to 140 feet in height upon their finding that the development:
1. Is consistent with the goals and policies of the Comprehensive Plan; and
 2. Will be supported by adequate infrastructure, facilities, and public services to serve the development; and
 3. Conducts a neighborhood meeting, in accordance with SMC 20.30.090, prior to application.

Proposed Council Amendment – SMC 20.30.297(C)(3)

3. Conducts a neighborhood meeting, in accordance with SMC 20.30.090, **and the additional requirements below**, prior to application.

i. Notice Signs for the neighborhood meeting shall be designed and purchased by the developer and, at a minimum, be four feet by four feet in dimension. The signs shall be posted on all sides of the parcel(s) that front on a street. The signs must be posted at a minimum 14 days prior to the neighborhood meeting and remain on site a minimum of 14 days following the neighborhood meeting. The signs must include the date, time and location of the in-person neighborhood meeting and a description of the project, zoning of the property, a basic

site plan, and contact information for the developer for questions or more information.

ii. The developer shall host an online open house/website in addition to the in-person neighborhood meeting where people can read a description of the project, see plans and elevations of the project, and submit comments. The online open house/website must be viewable to the public a minimum 14 days prior to the in-person neighborhood meeting and 14 days after the in-person neighborhood meeting.

iii. The neighborhood meeting summary from the in-person neighborhood meeting and online open house/website shall be posted on the City's website.

Discussion

In lieu of a development agreement, the draft amendments in proposed Ordinance No. 968 include a provision that developments exceeding the base height (and not qualifying for an existing incentive) conduct a neighborhood meeting and go through an Administrative Design Review (ADR) process. The ADR would be the mechanism for which a development could build above 90 feet and up to 140 feet in height. Attachment C to this staff report also includes examples of buildings at varying height. There are two primary reasons the ADR process is proposed to be used:

1. The amendments are leveraging and building on an existing process within the Code and one that is understood by both applicants and staff. Of the six developments in the MUR-70' zone thus far, all six have used the ADR process for design-related departures and/or utilization of the Deep Green Incentive Program (DGIP), which allows them expedited permit review and fee waivers, among other incentives. Albeit there are slightly different decision criteria proposed for the maximum height ADR, it could be combined with any other ADR-related reviews associated with a project. The hope with the proposed amendments is that maximum height considerations would be incorporated seamlessly into the existing list of items already reviewed through an ADR without creating more process.
2. The ADR is a "Type A" Director's decision (similar to other ministerial decisions such as building permits). There is no administrative appeal opportunity, and instead appeals would need to be filed to Superior Court under a Land Use Petition Act (LUPA) appeal. This decision type significantly streamlines the decision-making process from the current process which requires a Development Agreement (which includes a public hearing and Council decision).

The Final Environmental Impact Statement (FEIS) documents for both the 145th and 185th subarea plans noted the "public process" associated with the Development Agreement was a requirement to achieve additional height. The Planning Commission recommended amendments in proposed Ordinance No. 968 remove the need for a public hearing and City Council decision associated with a Development Agreement, but instead require a neighborhood meeting. Like other developments that must provide a

neighborhood meeting, notice would be provided to property owners within 500 feet of the development. The neighborhood meeting would provide an early opportunity for the applicant to share the project with the surrounding community and get comments and feedback prior to filing application with the City (SMC 20.30.090).

The typical sequence of steps in the development process could consist of:

- Pre-application meeting;
- Neighborhood meeting (proposed as part of maximum height);
- ADR application (if needed for design departures, DGIP, and proposed as part of maximum height); and
- Building permit and site development applications.

During the June 6th Council discussion, some Councilmembers had questions related to these existing requirements. Proposed Council Amendment #1 above would add additional notification requirements for a neighborhood meeting for any development in the MUR-70' zone seeking the maximum 140-foot height.

If a Councilmember is interested in making this proposed Amendment #1, Council should use the following amendatory language:

Amendatory Motion #1 -

“I move to modify the Planning Commission’s recommendation for SMC 20.30.297(C)(3) to add additional noticing and public comment requirements for proposed developments in the MUR-70’s zone seeking the maximum 140-foot height as set forth on Pages 4 and 5 of tonight’s Staff Report.”

Council Amendment #2 - SMC 20.50.020(A)(11)(b)(2) & SMC 20.50.250(C)
Staff Recommendation – Approve

These proposed Council amendments would provide more clarity for the ground floor commercial requirement and would be similar to existing standards that already apply to the North City and Ridgecrest neighborhoods.

Planning Commission Recommendation – SMC 20.50.020(A)(11)(b)

(11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnotes 12 below, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject Administrative Design Review approval and to the following:The maximum allowable height in the MUR-70' zone is 140 feet with an approved development agreement.

a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied;

b. One of the following are provided:

1. The development provides commercial space of at least 10,000 square feet; or

2. Thirty percent of the ground floor area within the development is devoted to neighborhood amenities that include areas open and accessible for the community, office space for nonprofit organizations, an eating or drinking establishment, or other space that may be used for community functions. The neighborhood amenity area should be at grade and adjacent to sidewalks or pedestrian paths.

Proposed Council Amendment – SMC 20.50.020(A)(11)(b)(2)

(11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnote 12 below, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject Administrative Design Review approval and to the following:~~The maximum allowable height in the MUR-70' zone is 140 feet with an approved development agreement.~~

a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied;

b. One of the following are provided:

1. The development provides commercial space of at least 10,000 square feet; or

2. Commercial space is constructed on the portion of the building's ground floor abutting a public right-of-way. Commercial space may be used for any allowed use in the MUR-70' zone in Table 20.40.160 – Station Area Uses, except the following general retail/trade/services: check-cashing services and payday lending. Residential dwellings are not allowed in commercial spaces. Ground floor commercial is subject to the standards in SMC 20.50.250(C).

Proposed Council Amendment – SMC 20.50.250(C)

C. Ground Floor Commercial.

1. New buildings subject to SMC 20.40.465 and 20.50.020(A)(11)(b)(2) shall comply with these provisions.

2. These requirements apply to the portion of the building's ground floor abutting a public right-of-way (ROW).

3. A minimum of 75 percent of the lineal frontage shall consist of commercial space. Up to 25 percent of the lineal frontage may consist of facilities associated

with the multifamily use, such as lobbies, leasing offices, fitness centers and community rooms. Amenities, such as fitness centers that offer memberships to the general public, shall not be included in the maximum 25 percent lineal frontage limitation.

4. All ground floor commercial spaces abutting a ROW shall be constructed at a minimum average depth of 30 feet, with no depth less than 20 feet, measured from the wall abutting the ROW frontage to the rear wall of the commercial space.

5. All ground floor commercial spaces shall be constructed with a minimum floor-to-ceiling height of 18 feet, and a minimum clear height of 15 feet.

Discussion

The Council proposed amendment would be similarly written to the ground floor commercial code already existing in the North City and Ridgecrest neighborhoods and include the prescriptive standards related to the commercial space depth and ceiling height, for example. The Council proposed amendment would also increase the requirement of ground floor commercial from 30 percent (Planning Commission recommendation) to 75 percent.

If a Councilmember is interested in making proposed Amendment #2, Council should use the following amendatory language:

Amendatory Motion #2 -

***“I move modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11)(b)(2) related to ground floor commercial by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(b)(2) as shown on Page 7 of tonight’s Staff Report, and to include a reference to this provision in SMC 20.50.250(C) Ground floor commercial, also as shown on Page 7 of tonight’s Staff Report.*”**

Council Amendment #3 - SMC 20.50.020(A)(11)(c)

Staff Recommendation – Approve

This proposed Council amendment would provide more clarity to the requirement for open spaces and would allow a portion of the already required Public Places and Multifamily Open Space be open and accessible to the public.

Planning Commission Recommendation – SMC 20.50.020(A)(11)(c)

c. The development shall provide park, recreation, open space, or plaza area open and accessible to the public. The area shall be in addition to the requirements for Public Places and Multifamily Open Space in SMC 20.50.240 subsection (F) and (G);

Proposed Council Amendment – SMC 20.50.020(A)(11)(c)

c. At least 20 percent of the Public Places and Multifamily Open Space required in SMC 20.50.240 subsections (F) and (G) shall be open and accessible to the public. This requirement does not include any area required for a public access easement as described in SMC 20.70.340(E).

Discussion

Councilmember Roberts requested an amendment to replace Section 20.50.020(A)(11)(c) with new language that would require 20 percent of required Public Places and Multifamily Open Space be open and accessible to the public. As part of the Commercial and Multifamily Design Standards in SMC 20.50 Subchapter 4, Public Places and Multifamily Open Space is required at the following rates:

- Public Places, for commercial portions of development:
 - 4 sq ft per 20 sq ft of net commercial floor area, to a maximum of 5,000 square feet
- Multifamily Open Space, for residential portions of development
 - 800 sq ft per development, or 50 sq ft per dwelling unit, whichever is greater

This proposed amendment would provide better certainty to applicants as to how much publicly accessible open space is required, whereas the Planning Commission recommended amendments are more ambiguous. An example of recent developments and open space comparison is provided below in Table 1.

Table 1 – Public Places and Multifamily Open Space Comparisons

Project	The Line	Burl	Ion
Public Places	345 sq ft	n/a	500 sq ft
MF Open Space	12,050 sq ft	8,600 sq ft	12,600 sq ft
Total	12,395 sq ft	8,600 sq ft	13,100 sq ft
20%	2,479 sq ft	1,720 sq ft	2,620 sq ft

**sizes are approximate for permits not yet approved/issued*

A hypothetical mixed-use development with 350 dwelling units and 5,000 square feet of ground floor commercial would be required to provide a total of 1,000 square feet of public places and 17,500 square feet of multifamily open space. Consistent with the potential Council amendment #3 above, a total of 3,700 square feet would be required to be publicly open and accessible.

Furthermore, potential Council Amendment #3 would allow the already required open space be counted toward satisfying the requirement. The Planning Commission recommended amendments specify that open space would need to be in addition to the existing Public Places and Multifamily Open Space requirement.

If a Councilmember is interested in making proposed Amendment #3, Council should use the following amendatory language:

Amendatory Motion #3 -

“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11)(c) by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(c) as shown on Page 9 of tonight’s Staff Report.”

Council Amendments #4a & #4b - SMC 20.50.020(A)(11)(d)

Staff Recommendation – #4a - Not Approve; #4b – Approve

These proposed Council amendments address the funding of parks, open space, art, or other recreational opportunities.

PLEASE NOTE that both of these proposed amendments pertain to SMC 20.50.020(A)(11)(d) and, therefore, adoption of one amendment could render the other proposed amendment unnecessary or requiring modification.

Planning Commission Recommendation – SMC 20.50.020(A)(11)(d)

d. The development shall provide one percent of the building construction valuation to be paid by the applicant for contribution toward art or placemaking amenities that are open and accessible to the public; and

Proposed Council Amendment #4a - SMC 20.50.020(A)(11)(d)

Following the Council discussion on June 6th, Councilmember Ramsdell requested that staff develop a proposed amendment to Section 20.50.020(A)(11)(d) that would keep the requirement that two (2) percent of the building valuation shall be paid by the property owner/developer to the City to fund parks, open space, art, or other recreational opportunities that are open and accessible to the public:

d. The development shall provide two percent of the building construction valuation to be paid by the applicant for contribution to fund public parks, open space, art, or other recreational opportunities open and accessible to the public within the station subarea as defined in the City’s Parks, Recreation, and Open Space Plan. The applicant’s contribution shall be paid to the City; and

Proposed Council Amendment #4b - SMC 20.50.020(A)(11)(d)

Additionally, Councilmember Roberts requested a proposed amendment to Section 20.50.020(A)(11)(d) that left in place the one percent contribution, but added more clarity to this section:

d. The development shall provide one percent of the building construction valuation to be paid by the applicant for contribution toward art or placemaking amenities that are open and accessible to the public. *The contribution shall take the form of either on-site installation of exterior artwork or placemaking amenities, reviewed by the City, or an equivalent cash donation to the City’s one percent for Arts program. All on-site works must include a plan for future maintenance and cleaning schedule where appropriate; and*

Discussion

The proposed MUR-70' Development Code amendments are not anticipated to effect Park Impact Fees. The development agreement requirements for dedication of park/open space and payment of 2% of the construction valuation were in place prior to the City's adoption of Park Impact Fees in 2017 through Ordinance No. 786. The 2022 Park Impact Fee for multifamily development is \$3,077 per dwelling unit. Impact fees are paid by the applicant at the time a building permit is issued. SMC 3.70 outlines eligible exemptions and credits such as low-income housing provided by non-profit entities or dedication/construction of parks included in the capital facilities plan, among others.

In essence, prior to 2017, a development seeking the additional height was only required to pay the 2% construction valuation. In 2017, when Park Impact Fees were adopted, this same development would be required to pay the 2% construction valuation in addition to the Park Impact Fees (for residential construction). A nonresidential building, such as commercial or office, is not subject to Park Impact Fees, but would be required to provide 1% of the building construction valuation to art or place making amenities if they were seeking the maximum height. The current Planning Commission recommendation recognizes that a residential development, unless qualifying for exemptions, will be required to pay the Park Impact Fees, and therefore reduced the 2% requirement to 1%.

As proposed by the Planning Commission, the 1% contribution would not apply unless a development were seeking to go above the base height allowance and did not qualify for other existing height increases. The primary purpose is to require a 1% contribution to art or place making was to address feedback expressed by members of both the Planning Commission and City Council which related to the importance of creating a distinctive "place" as the station areas are developed over time. While the Development Code is not the only facet in achieving this goal, it can be one tool used to take an incremental step in doing so.

Table 2 below provides a breakdown of recent developments that could occur in the MUR-70' zone and compares the amount of the Park Impact Fee contributions and comparison of 1% and 2% contributions toward art/placemaking. It is important to note these construction valuations reflect a wood frame construction type and the valuation would increase for a high rise building going 8+ stories in height which would require a steel and concrete construction type.

Table 2 – Park Impact Fees and 1-2% Valuation Comparison for Recent Developments

Project	Geo	Geo 2	Canopy 1	Canopy 2	The Line	Burl	Ion
Constr. Value	\$27,546,658	\$32,045,983	\$48,509,040	\$27,179,366	\$38,449,285	\$30,416,668	\$44,342,863
Units	163	215	315	161	241	172	252
Park Impact Fee (2022)	\$501,551	\$661,555	\$969,255	\$495,397	\$741,557	\$529,244	\$775,404
2%	\$550,933	\$640,920	\$970,181	\$543,587	\$748,986	\$608,333	\$886,857
1%	\$275,467	\$320,460	\$485,090	\$271,794	\$384,493	\$304,167	\$443,429

Using the construction values above, a hypothetical residential building could be valued at \$6.3M per floor. A 12-story building with 460 dwelling units could be valued at \$75.6M (change in construction type is not accounted for). In this example, a 2% contribution for parks/art/placemaking would be \$1.51M, while a 1% contribution would be \$756,000. In addition, Park Impact Fees in the amount of \$1.42M would be required to be paid (460 units x \$3,077 per unit). Thus, for this hypothetical 460-unit residential building under the Planning Commission's recommendation, total park impact fees and 1% contribution for art/placemaking would total \$2.17M.

Staff recommends against proposed Council amendment #4a as it will add additional development costs for applicants as the two percent contribution was originally in place prior to the City's Park Impact Fee program.

If a Councilmember is interested in making proposed Amendment #4a, Council should use the following amendatory language:

Amendatory Motion #4a -

"I move to modify the Planning Commission's recommendation for SMC 20.50.020(A)(11)(d) by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(d) as shown on Page 10 of tonight's Staff Report."

Staff recommends that Council approve proposed Council Amendment #4b as it provides more clarity to the intent of the regulations related to ongoing maintenance and an in-cash equivalent contribution.

If a Councilmember is interested in making proposed Amendment #4b, Council should use the following amendatory language:

Amendatory Motion #4b -

"I move to modify the Planning Commission's recommendation for SMC 20.50.020(A)(11)(d) by adding new language related to on-site art or placemaking amenities as shown on Page 10 of tonight's Staff Report."

Council Amendment #5 – SMC 20.50.020(A)(11)(e)

Staff Recommendation – *Approve, in part*

This proposed Council amendment would provide more certainty with regard to the extent, or value, of which an improvement would need to be. The amendment also takes into consideration a high contribution in an instance where all off-street parking is eliminated.

Planning Commission Recommendation – SMC 20.50.020(A)(11)(e)

e. The development shall provide subarea improvements such as utility infrastructure system improvements, off-site frontage improvements (consistent with the Engineering Development Manual), or installation of amenities such as transit stop shelters, lighting, or wayfinding signage.

Proposed Council Amendment – SMC 20.50.020(A)(11)(e)

e. The development shall provide 0.25 percent of the building construction valuation to be paid by the applicant for subarea improvements such as off-site frontage improvements (consistent with the Engineering Development Manual), bicycle, pedestrian, or transit projects identified in the Transportation Master Plan, or installation of amenities such as transit stop shelters, lighting, or wayfinding signage. If the required off street parking is eliminated in accordance with SMC 20.50.400(C), the development contribution shall be 1 percent of the building construction valuation.

Discussion

Proposed Council Amendment #5 provides more certainty with regard to the extent, or value, of which an improvement would need to be. The amendment also takes into consideration a high contribution in an instance where all off-street parking is eliminated whereby some of the value for elimination of the parking is reinvested for subarea improvements. Table 3 below provides a cost comparison using building valuations for recent developments of similar scale that could be developed in the MUR-70' zone. It is important to note, the valuations do not take into account a change in the construction type as would be the case for buildings 8+ stories in height.

Table 3 – Subarea Improvements, 0.25-1% Comparison

Project	Geo	Geo 2	Canopy 1	Canopy 2	The Line	Burl	Ion
Constr. Value	\$27,546,658	\$32,045,983	\$48,509,040	\$27,179,366	\$38,449,285	\$30,416,668	\$44,342,863
0.25%	\$68,867	\$80,115	\$121,273	\$67,948	\$96,123	\$76,042	\$110,857
1%	\$275,467	\$320,460	\$485,090	\$271,794	\$384,493	\$304,167	\$443,429

Using the construction values above, a hypothetical building could be valued at \$6.3M per floor. A 12-story building could be valued at \$75.6M (change in construction type is not accounted for). In this example, a 0.25% contribution would be \$189,000, while a 1% contribution would be \$756,000.

Staff recommends the Council-proposed amendment be approved, with the exception that the reference to elimination of parking be removed. Staff does not recommend off street parking requirements be removed (see amendment #8 below).

If a Councilmember is interested in making proposed Amendment #5, Council should use the following amendatory language:

Amendatory Motion #5 -

“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11)(e) by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(e) as shown on Page 13 of tonight’s Staff Report.”

Council Amendment #6 – SMC 20.50.020(A)(11)(f)**Staff Recommendation – Approve**

This proposed Council amendment would require buildings above the base allowable height in the MUR-70' zone to achieve green certification, matching Tier 3 of the City's Deep Green Incentive Program (DGIP).

PLEASE NOTE that if proposed Council amendment #5 is not adopted, then this amendment would need to be modified to ensure correct number sequencing.

Planning Commission Recommendation:

The requirement that the entire development be built to LEED Gold standards set forth in SMC 20.30.355(D)(2) is proposed to be removed. This standard is duplicative because development in the MUR-70' zone must meet the Built Green 4-Star certification, which is a roughly equivalent (if not slightly higher) green certification (SMC 20.40.046.D).

Proposed Council Amendment – SMC 20.50.020(A)(11)(f)

f. The development shall meet the requirements to achieve certification under one of the following sustainable development programs:

- 1. LEED Platinum; or*
- 2. 5-Star Built Green; or*
- 3. Passive House Institute US (PHIUS)+ combined with Salmon Safe; or*
- 4. Zero Energy combined with Salmon Safe*

Since certification under one of the above programs is required in order to build over the base height of 70' in the MUR zone, the Deep Green Incentive Program incentives listed in SMC 20.50.630 (D)(1) and (4) do not apply.

Discussion

This proposed Council amendment would require buildings above the base allowable height in the MUR-70' zone to achieve green certification, matching Tier 3 of the City's Deep Green Incentive Program (DGIP). Of the MUR-70' development applications which have filed application, many are opting to build to LEED Platinum and are eligible for the DGIP incentives. The proposed amendments would not allow waivers of City application fees or expedited permit review. The requirement for green building certification would also add to the development costs for the applicant.

Staff recommends approval of proposed Council amendment #6. This proposed amendment supports citywide climate and sustainability goals by mandating new buildings seeking added height in the MUR-70' zone meet Tier 3 of the DGIP.

If a Councilmember is interested in making proposed Amendment #6, Council should use the following amendatory language:

Amendatory Motion #6 -

“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11) by adding a new subsection, subsection (f), related to the City’s Deep Green Incentive Program as set forth on Page 14 of tonight’s Staff Report.”

Council Amendment #7 – SMC 20.50.020(A)(11)(g)
Staff Recommendation – Not Approve

This proposed Council amendment would retain the existing requirement to purchase transfer of development rights (TDR) credits as a condition of obtaining maximum height.

PLEASE NOTE that if proposed Council amendments #5 or #6 are not adopted, then this amendment would need to be modified to ensure correct number sequencing.

Planning Commission Recommendation – SMC 20.30.355(D)(4)

~~4. An agreement to purchase transfer of development rights (TDR) credits at a rate of \$5,000 per unit up to a maximum of 50 TDRs per development agreement as authorized by the City Council and not to exceed Shoreline’s allocation of TDR credits.~~

Proposed Council Amendment – SMC 20.50.020(A)(11)(g)

g. The development shall agree to purchase Transfer of Development Rights (TDR) credits as outlined in the City’s TDR program.

Discussion

The Planning Commission recommendation is to remove the requirement to purchase Transfer of Development Rights (TDR) credits. Future proposed amendments will consider a TDR program with incentives and at that time it is possible TDR requirements could be included once again as a requirement.

The Planning Commission recommendation would remove the requirement that a development purchase TDR credits as a condition of achieving the maximum height. Staff is currently finalizing a consultant contract and work plan to prepare amendments that would establish a TDR program as part of the Development Code. The contract will also establish an interlocal agreement with King County to manage TDR transactions within the City. Draft amendments are anticipated to go to the Planning Commission for review in later 2022.

The Council proposed amendment has been revised to generally refer to the City’s TDR program to reflect anticipated amendments for consideration later this year.

Staff recommends against potential Council Amendment #7. As noted above, future Development Code amendments will incorporate a program for TDR. Currently, the City is not positioned to manage a TDR transaction.

If a Councilmember is interested in making proposed Amendment #7, Council should use the following amendatory language:

Amendatory Motion #7 -

“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11) by adding a new subsection, subsection (g), requiring the purchase of Transfer of Development Rights as a condition of achieving maximum height as set forth on Page 15 of tonight’s Staff Report.”

Council Amendments #8a & #8b - SMC 20.50.400.C

Staff Recommendation – #8a – Neutral; #8b – Not Approve

These proposed Council amendments would change incentives for reductions in parking.

PLEASE NOTE that if proposed Council amendment #8a is adopted, then proposed amendment #8b would be impacted as #8b does not seek to delete the language #8a does seek to delete.

Planning Commission Recommendation – SMC 20.50.400.C

C. Parking reductions of up to 50 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70’ zone containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more, provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
 - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
 - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development’s parking demand; and
 - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.

2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan’s performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

Proposed Council Amendment #8a – SMC 20.50.400.C

C. Parking reductions of up to 50 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70’ zone ~~containing 100 dwelling~~

units or more, or 10,000 gross square feet of commercial floor area or more,
provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
 - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
 - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development's parking demand; and
 - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.

2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan's performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

Proposed Council Amendment #8b – SMC 20.50.400.C

C. Parking reductions of up to 50/100 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70' zone containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more, provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
 - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
 - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development's parking demand; and
 - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.

2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan's performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

Discussion

The Planning Commission recommended Development Code amendments for parking reductions would establish provisions to reduce off-street parking requirements up to 50%, with approval of a Transportation Demand Management (TDM) Plan.

Parking Reductions

The Planning Commission recommendation for parking reductions includes dwelling unit and square foot size threshold to encourage larger scale developments in the MUR-70' zone and to minimize potential parking impacts associated with smaller developments.

There are examples of cities which have lifted off street parking requirements entirely and allow the development to determine a suitable amount of parking (if any). The City of Seattle is one local example which does not require off street parking in some station area overlays, such as Roosevelt and Northgate. Other nearby cities continue to allow a parking reduction.

The comparison in Table 2 below highlights the City's parking requirements without a reduction, with the current maximum 25% reduction, and with the Planning Commission recommended 50% reduction. The comparison is based on a residential development scenario of 200 units.

Table 2 – Parking Comparison for 200 Residential Units

Unit Type	Units	Shoreline	Mountlake Terrace	Lynnwood	Bellevue (Spring District)	Seattle (Northgate & Roosevelt Station Overlays)
Studio	50	37.5	25	25	37.5	0
1 BR	100	75	75	50	75	0
2 BR	50	75	50	25	37.5	0
Total	200	188 w/o reduction	150	100	150	0
		139 w/25% reduction*				
		94 w/50% reduction**				
Ratio - Stalls per unit	--	1.06 w/o reduction	0.75	0.5	0.75	0
		0.70 w/25% reduction*				No minimum in overlay areas
		0.47 w/50% reduction**				

*25% reduction applies to properties within ¼ mile of light rail station

**up to 50% reduction with approved TDM

Transportation Demand Management

TDM is a broad concept which has evolved over time. The US Department of Transportation notes that TDM is defined as a set of strategies aimed at maximizing travel choices. Traditionally, these strategies have been narrowly focused on commuter trips, but has evolved to encapsulate numerous strategies aimed to complement transportation infrastructure, including parking. TDM strategies have rapidly grown in recent years with the rise in new technologies. A list of example TDM strategies include:

- Bikeshare/carshare
- Free or reduced cost transit passes
- Enhanced bike facilities (e.g. storage, maintenance area, etc.)
- Wayfinding for non-vehicle trips
- Marketing and communications on alternative transportation options

TDM examples in the City include a recent multifamily development on Aurora which has committed to implementing bikeshare and is anticipating carshare options will be available to its residents in the future.

As noted above, the draft amendments would allow parking reductions up to 50%, provided the applicant prepares a TDM and it is approved by the City. In addition to project-specific strategies that could be included in a TDM, the amendments reference a list of strategies that will be maintained by the Director. Maintaining a list of TDM strategies as a companion to the Development Code (rather than adopted directly into the Code) allows for flexibility to respond to rapidly changing transportation technologies as well as a way to prioritize strategies that advance City goals. The proposed amendments also would require ongoing monitoring of the performance of the TDM strategies and allow for adjustments to be made throughout the life of the development.

At the request of the City, the owner would be required to provide parking utilization data and an assessment of the plan's performance. Changes would need to be made in instances where the plan is found to be underperforming. Understanding the off-street parking utilization trends and having a mechanism in place to adapt will be particularly important components of managing the overall parking system in the years to come as the light rail station subareas are built out and demands for parking evolve.

Generally speaking, the City should begin scoping and considering parking management strategies when a ¼ mile radius area reaches an average on street parking utilization of 60 percent or higher.

The funding allocation for parking utilization surveys ended in 2021 (some carryover from 2021 was used to conduct utilization surveys this year). Currently there is no resource to continue parking demand surveys that would track parking utilization. A supplemental budget request will be submitted for the 2023-24 biennium to continue the utilization surveys, which will help staff anticipate the need for parking management strategies.

Sound Transit is committed to studying parking around the light rail stations but this scope will likely cover a smaller geographic area that may not capture the full extent of

redevelopment related parking demand increases as their focus will be specific to light rail station related parking mitigation. New staff allocated to Traffic Services in 2022 is anticipated to manage some initial elements of expanding parking demand management needs, and a 2024 budget request is planned for a dedicated parking enforcement resource.

By 2025, it is likely that additional Streets Maintenance staff and materials budget will be needed to keep pace with signage and markings associated with active parking demand management. It should be noted that tools to manage specifically residential parking demand are somewhat limited.

While staff is neutral on proposed Council Amendment #8a, staff recommends against proposed Council Amendment #8b, which could allow elimination of all required off-street parking. Eliminating all off-street parking has the highest likelihood of impacts onto local streets and increased demand on City resources to actively manage and enforce on street parking.

If a Councilmember is interested in making proposed Amendment #8a, Council should use the following amendatory language:

Amendatory Motion #8a -

“I move to modify the Planning Commission’s recommendation for SMC 20.50.400(C) by deleting the following language: “containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more” as shown on Pages 16 and 17 of tonight’s Staff Report.”

If a Councilmember is interested in making proposed Amendment #8b, Council should use the following amendatory language:

Amendatory Motion #8b -

“I move to modify the Planning Commission’s recommendation for SMC 20.50.400(C) by increasing the percentage of parking reduction from 50% to 100% as shown on Page 17 of tonight’s Staff Report.”

ANALYSIS

In accordance with SMC 20.30.350.A, an amendment to the Development Code is a mechanism by which the City may bring its land use and development regulations into conformity with the Comprehensive Plan or respond to changing conditions or needs of the City.

The City Council may approve or approve with modifications an amendment to the Development Code if all of the following are satisfied:

1. *The amendment is in accordance with the Comprehensive Plan.*

The proposed amendments are consistent with the following goals and policies of the Comprehensive Plan:

- Framework Goal FG14: Designate specific areas for high-density development, especially along major transportation corridors.
- Land Use Goal LU II: Establish land use patterns that promote walking, biking and using transit to access goods, services, education, employment, recreation.
- Land Use Goal LU III: Create plans and strategies that implement the City's Vision 2029 and Light Rail Station Area Planning Framework Goals for transit supportive development to occur within a ½ mile radius of future light rail stations.
- Land Use Policy LU35: Allow and encourage uses in station areas that will foster the creation of communities that are socially, environmentally, and economically sustainable.
- Land Use Policy LU55: Parking requirements should be designed for average need, not full capacity. Include regulatory provisions to reduce parking standards, especially for those uses located within ¼ mile of high-capacity transit, or serving a population characterized by low rates of car ownership. Other parking reductions may be based on results of the King County Right-Sized Parking Initiative.
- Housing Policy H8: Explore a variety and combination of incentives to encourage market rate and non-profit developers to build more units with deeper levels of affordability.
- Economic Development Policy ED4: Use incentives and development flexibility to encourage quality development.
- Economic Development Policy ED9: Promote land use and urban design that allows for smart growth and dense nodes of transit-supportive commercial activity to promote a self-sustaining local economy.
- Natural Environment Policy NE1: Promote infill and concurrent infrastructure improvements in areas that are already developed in order to preserve rural areas, open spaces, ecological functions, and agricultural lands in the region.

2. *The amendment will not adversely affect the public health, safety or general welfare.*

If approved, the amendments would allow parking reductions of up to 50% with an approved TDM plan. The TDM plan would be a site-specific plan to reduce overall parking demand and mitigate potential parking impacts on nearby streets and properties. The amendments would also require the TMD plan be regularly monitored and revised as necessary to adapt to changing parking demand over time.

The amendments would also change the mechanisms by which a development could achieve the maximum building height of 140 feet. However, the development would be required to hold a neighborhood meeting, go through the Administrative Design Review process, and meet additional development requirements such as additional affordable housing, neighborhood amenities, and open space.

The amendments will not adversely affect the public health, safety or general welfare.

3. *The amendment is not contrary to the best interest of the citizens and property owners of the City of Shoreline.*

The amendments are intended to better facilitate and remove barriers to development in the MUR-70' zone to advance the vision for the light rail station subarea plans as created by the community and adopted by Council. The amendments are not contrary to the best interest of the citizens and property owners of the City.

RESOURCE/FINANCIAL IMPACT

The proposed Development Code amendments in proposed Ordinance No. 968 will not have a direct immediate financial impact to the City. Additional staff resources would be needed to review TDM Plans associated with new developments and periodically check-in on their performance in future years.

RECOMMENDATION

The Planning Commission has recommended adoption of the proposed amendments in Attachment A, Exhibit A of proposed Ordinance No. 968. Staff further recommends adoption of Ordinance No. 968.

ATTACHMENTS

- Attachment A – Proposed Ordinance No. 968
- Attachment A, Exhibit A – Planning Commission Recommended Draft Development Code Amendments to Chapters 20.30, 20.40, and 20.50 SMC
- Attachment B – Summary of Council Proposed Amendments to Exhibit A of proposed Ordinance No. 968
- Attachment C – Building Height Examples

ORDINANCE NO. 968

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING CHAPTERS 20.30, 20.40, AND 20.50 OF THE SHORELINE MUNICIPAL CODE TITLE 20, THE UNIFIED DEVELOPMENT CODE, TO MODIFY REGULATIONS FOR DEVELOPMENT WITHIN THE MUR-70' ZONING DISTRICT AND INCLUDE A 20-YEAR MULTI-FAMILY TAX EXEMPTION PERIOD.

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington, and planning pursuant to the Growth Management Act, Title 36.70A RCW; and

WHEREAS, Shoreline Municipal Code (SMC) Title 20, sets forth the City's Unified Development Code; and

WHEREAS, in 2014 and 2016, the City established the Mixed Use Residential (MUR)-70' zoning district within the 145th Street and 185th Street Station Subareas and adopted regulations specific to that zoning district; and

WHEREAS, an October 25, 2021, joint meeting of the City Council and the Shoreline Planning Commission was held to discuss better development outcomes in the MUR-70' zoning district as envisioned in the light rail station subarea plans; and

WHEREAS, in 2021, the City Council adopted Ordinance No. 944, amending Chapter 3.27 SMC, Property Tax Exemption, to reflect new state legislation expanding the multi-family tax exemption (MFTE) program to allow for a 20-year MFTE program that, in return for the tax exemption, would require units be affordable for 99 years; SMC 20.40.235 requires amendment to reflect this change and its use within the MUR-70' zoning district; and

WHEREAS, on December 2, 2021, January 20, 2022, and April 7, 2022, the Planning Commission discussed potential amendments related to parking reductions and repealing the requirement for a development agreement for achieving building heights over the base height of 70 feet; and on May 19, 2022, the Planning Commission held a public hearing on the proposed amendments so as to receive public testimony; and

WHEREAS, at the conclusion of public hearing, the Planning Commission voted that the proposed amendments as presented by staff be approved by the City Council; and

WHEREAS, on June 6, 2022, the City Council held a study session on the proposed amendments; and

WHEREAS, pursuant to RCW 36.70A.370, the City has utilized the process established by the Washington State Attorney General so as to assure the protection of private property rights; and

WHEREAS, pursuant to RCW 36.70A.106, the City has provided the Washington State Department of Commerce with a 60-day notice of its intent to adopt the amendment(s) to its Unified Development Code; and

WHEREAS, the environmental impacts of the amendments to the MUR-70 zoning district resulted in the issuance of an addendum to the 145th Street Station Planned Action Final Environmental Impact Statement and an addendum to the 185th Street Station Planned Action Final Environmental Impact Statement, both were issued on May 5, 2022; and

WHEREAS, the City provided public notice of the amendments and the public hearing as provided in SMC 20.30.070; and

WHEREAS, the City Council has considered the entire public record, public comments, written and oral, and the Planning Commission's recommendation and has determined that the amendments to Title 20 are consistent with and implement the Shoreline Comprehensive Plan and serves the purpose of the Unified Development Code as set forth in SMC 20.10.020;

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

Section 1. Amendments. Unified Development Code. Title 20 of the Shoreline Municipal Code, Unified Development Code, is amended as set forth in Exhibit A to this Ordinance.

Section 2. Transmittal of Amendments to Washington State Department of Commerce. Pursuant to RCW 36.70A.106, the Director of Planning and Community Development, or designee, is directed to transmit a complete and accurate copy of this Ordinance and Exhibit A to the Washington State Department of Commerce within ten (10) calendar days of the date of passage of this Ordinance.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 4. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to any person or situation.

Section 5. Publication and Effective Dates. A summary of this Ordinance consisting of the title shall be published in the official newspaper and shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON JUNE 27, 2022.

Keith Scully, Mayor

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Julie Ainsworth-Taylor
Assistant City Attorney
On behalf of Margaret King
City Attorney

Date of Publication: , 2022
Effective Date: , 2022

SMC 20.30.297 Administrative Design Review (Type A).

A. Administrative design review approval of departures from the design standards in SMC 20.50.160 through 20.50.190, 20.50.220 through 20.50.250, 20.50.450 through 20.50.510 and SMC 20.50.530 through 20.50.620 shall be granted by the Director upon their finding that the departure is:

1. Consistent with the purposes or intent of the applicable subsections; or
2. Justified due to unusual site constraints so that meeting the design standards represents a hardship to achieving full development potential.

B. Projects applying for the Deep Green Incentive Program by certifying through the Living Building or Community Challenge, Petal Recognition, Emerald Star, LEED-Platinum, 5-Star, 4-Star, PHIUS+, PHIUS+ Source Zero/Salmon Safe, or Zero Energy/Salmon Safe programs may receive departures from development standards under Chapters 20.40, 20.50, 20.60, and/or 20.70 SMC upon the Director's finding that the departures meet subsections (A)(1) and/or (2) of this section, and as further described under SMC 20.50.630. Submittal documents shall include proof of enrollment in the programs listed above.

C. Developments in the MUR-70' zone exceeding the base height and which are not utilizing the significant tree retention height incentive in Table 20.50.020(2), footnote 12, or the height incentive within the Deep Green Incentive Program in SMC 20.50.630, shall be subject to Administrative Design Review approval. The Director shall grant approval of developments up to 140 feet in height upon their finding that the development:

1. Is consistent with the goals and policies of the Comprehensive Plan; and
2. Will be supported by adequate infrastructure, facilities, and public services to serve the development; and
3. Conducts a neighborhood meeting, in accordance with SMC 20.30.090, prior to application.

SMC 20.30.355 Development agreement (Type L).

A. **Purpose.** To define the development of property in order to implement framework goals to achieve the City's adopted vision as stated in the Comprehensive Plan. A development agreement is permitted in all zones and may modify development standards contained in Chapter 20.50 SMC. ~~A development agreement in the MUR-70' zone may be approved to allow increased development potential above the zoning requirements in Chapter 20.50 SMC.~~

B. **Development Agreement Contents (General).** A development agreement shall set forth the development standards and other provisions that shall apply to govern and vest the development, use, and mitigation of the development of the real property for the duration specified in the agreement (RCW 36.70B.170). Each development agreement approved by the

Ordinance No. 968 - Exhibit A

City Council shall contain the development standards applicable to the subject real property. For the purposes of this section, “development standards” includes, but is not limited to:

1. Project elements such as permitted uses, residential densities, and nonresidential densities and intensities or building sizes;
2. The amount and payment of impact fees imposed or agreed to in accordance with any applicable provisions of State law, any reimbursement provisions, other financial contributions by the property owner, inspection fees, or dedications;
3. Mitigation measures, development conditions, and other requirements under Chapter 43.21C RCW;
4. Design standards such as maximum heights, setbacks, drainage and water quality requirements, landscaping, and other development features;
5. Affordable housing units;
6. Parks and open space preservation;
7. Phasing of development;
8. Review procedures and standards for implementing decisions;
9. A build-out or vesting period for applicable standards;
10. Any other appropriate development requirement or procedure;
11. Preservation of significant trees; and
12. Connecting, establishing, and improving nonmotorized access.

C. Decision Criteria. A development agreement (~~general development agreement and development agreements in order to increase height above 70 feet~~) may be granted by the City only if the applicant demonstrates that:

1. The project is consistent with goals and policies of the Comprehensive Plan. If the project is located within a subarea plan, then the project shall be consistent with the goals and policies of the subarea plan.
2. The proposed development uses innovative, aesthetic, energy-efficient and environmentally sustainable architecture and site design.
3. There is either sufficient capacity and infrastructure (e.g., roads, sidewalks, bike lanes) that meet the City’s adopted level of service standards (as confirmed by the performance of

a transportation impact analysis) in the transportation system (motorized and nonmotorized) to safely support the development proposed in all future phases or there will be adequate capacity and infrastructure by the time each phase of development is completed. If capacity or infrastructure must be increased to support the proposed development agreement, then the applicant must identify a plan for funding their proportionate share of the improvements.

4. There is either sufficient capacity within public services such as water, sewer and stormwater to adequately serve the development proposal in all future phases, or there will be adequate capacity available by the time each phase of development is completed. If capacity must be increased to support the proposed development agreement, then the applicant must identify a plan for funding their proportionate share of the improvements.

5. The development agreement proposal contains architectural design (including but not limited to building setbacks, insets, facade breaks, roofline variations) and site design standards, landscaping, provisions for open space and/or recreation areas, retention of significant trees, parking/traffic management and multimodal transportation improvements and other features that minimize conflicts and create transitions between the proposal site and property zoned R-4, R-6, R-8 or MUR-35'.

6. The project is consistent with the standards of the critical areas regulations, Chapter 20.80 SMC, Critical Areas, or Shoreline Master Program, SMC Title 20, Division II, and applicable permits/approvals are obtained.

~~D.—Development Agreement Contents for Property Zoned MUR-70' in Order to Increase Height Above 70 Feet.~~ Each development agreement approved by the City Council for property zoned MUR-70' for increased development potential above the provision of the MUR-70' zone shall contain the following:

~~1.—Twenty percent of the housing units constructed on site shall be affordable to those earning less than 60 percent of the median income for King County adjusted for household size. The units shall remain affordable for a period of no less than 99 years. The number of affordable housing units may be decreased to 10 percent if the level of affordability is increased to 50 percent of the median income for King County adjusted for household size. A fee in lieu of constructing any fractional portion of mandatory units is based on the adopted fee schedule (Chapter 3.01 SMC). Full units are not eligible for the fee in lieu option and must be built on site. The fee will be specified in SMC Title 3.~~

~~2.—Entire development is built to LEED Gold standards.~~

~~3.—Structured parking for at least 90 percent of the required parking spaces for a development. Structured parking includes underground parking, under building parking and aboveground parking garage. Unstructured parking shall be located interior to the site.~~

~~4.—An agreement to purchase transfer of development rights (TDR) credits at a rate of \$5,000 per unit up to a maximum of 50 TDRs per development agreement as authorized by the City Council and not to exceed Shoreline’s allocation of TDR credits.~~

~~5.—Applicant shall dedicate park space sufficient to accommodate each projected resident of the development, to be determined by a formula to be established by rule in consultation with the Parks Board. Dedicated space must be open and accessible to the public from a public street.~~

~~6.—Development agreements in MUR 70' shall include at least two of the following components and may not be combined:~~

~~a.—Entire site uses combined heat and power infrastructure or district energy.~~

~~b.—Commercial space of at least 40,000 square feet.~~

~~c.—Thirty percent of the ground floor area for neighborhood amenities that may include areas open and accessible for the community, office space for nonprofit organizations, an eating or drinking establishment, or other space that may be used for community functions.~~

~~d.—Two percent of the building construction valuation shall be paid by the property owner/developer to the City to fund public parks, open space, art, or other recreational opportunities open and accessible to the public within the station subarea as defined in the City’s Parks, Recreation, and Open Space Plan.~~

~~e.—Provide additional off-site frontage improvements (as required by the Engineering Development Manual) that connect a proposed development to amenities near the subject project. Amenities may include transit stops, light rail station, commercial uses, etc.~~

~~f.—Providing street-to-street dedicated public access. Examples include an alley, pedestrian/bicycle path, or other nonmotorized vehicle trail.~~

ED. Development Agreement Approval Procedures. The City Council may approve development agreements through the following procedure:

1. A development agreement application incorporating the elements stated in subsection B of this section may be submitted by a property owner with any additional related information as determined by the Director. After staff review and SEPA compliance, the Planning Commission shall conduct a public hearing on the application. The Planning Commission shall then make a recommendation to the City Council pursuant to the criteria set forth in subsection C of this section and the applicable goals and policies of the Comprehensive Plan. The City Council shall approve, approve with additional conditions, or deny the development agreement. The City Council shall approve the development agreement by ordinance or resolution;

2. **Recorded Development Agreement.** Upon City Council approval of a development agreement under the procedure set forth in this subsection E, the property owner shall execute and record the development agreement with the King County Recorder's Office to run with the land and bind and govern development of the property.

SMC 20.40.046 Mixed-use residential (MUR) zones.

A. The purpose of the mixed-use residential (MUR) zones (MUR-35', MUR-45', and MUR-70') is to provide for a mix of predominantly multifamily development ranging in height from 35 feet to 70 feet in appropriate locations with other nonresidential uses that are compatible and complementary.

B. Specific mixed-use residential zones have been established to provide for attached single-family residential, low-rise, mid-rise and high-rise multifamily residential. The mixed-use residential zones also provide for commercial uses, retail, and other compatible uses within the light rail station subareas.

C. Affordable housing is required in the MUR-45' and MUR-70' zone and voluntary in the MUR-35' Zone. Refer to SMC 20.40.235 for affordable housing light rail station subarea requirements.

D. Construction in MUR zones must achieve green building certification through one of the following protocols: Built Green 4-Star or PHIUS+. If an affordable housing or school project is required to certify through the Evergreen Sustainable Development Standard, this protocol shall fulfill the requirement. If a project utilizes a more stringent certification protocol through the Deep Green Incentive Program, this shall fulfill the requirement.

~~E. All development within the MUR-70' zone that seeks additional height and alternative development standards shall be governed by a development agreement as provided in SMC 20.30.355.~~

SMC 20.40.235 Affordable housing, light rail station subareas.

A. The purpose of this index criterion is to implement the goals and policies adopted in the Comprehensive Plan to provide housing opportunities for all economic groups in the City's light rail station subareas. It is also the purpose of this criterion to:

1. Ensure a portion of the housing provided in the City is affordable housing;
2. Create an affordable housing program that may be used with other local housing incentives authorized by the City Council, such as a multifamily tax exemption program, and other public and private resources to promote affordable housing;
3. Use increased development capacity created by the mixed-use residential zones to develop voluntary and mandatory programs for affordable housing.

B. Affordable housing is voluntary in MUR-35' and mandatory in the MUR-45' and MUR-70' zones. The following provisions shall apply to all affordable housing units required by, or allowed through, any provisions of the Shoreline Municipal Code:

1. The City provides various incentives and other public resources to promote affordable housing. Specific regulations providing for affordable housing are described below:

	MUR-70'+	MUR-70'	MUR-45'	MUR-35'
Mandatory Participation	Yes	Yes	Yes	No
Incentives (3) (4)	Height may be increased above 70 ft.; no density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.	Entitlement of 70 ft. height; no density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.	Entitlement of 45 ft. height; no density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.	No density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.
Studio, 1 bedroom (3) (4)	20% of rental units shall be affordable to households making 60% or less of the median income for King County adjusted for household size; or 10% of rental units shall be affordable to households making 50% or less of the median income for King County adjusted for household size.	20% of rental units shall be affordable to households making 70% or less of the median income for King County adjusted for household size; or 10% of rental units shall be affordable to households making 60% or less of the median income for King County adjusted for household size.		

	MUR-70'+	MUR-70'	MUR-45'	MUR-35'
2+ bedrooms (3) (4)	20% of the rental units shall be affordable to households making 70% or less of the median income for King County adjusted for household size; or 10% of the rental units shall be affordable to households making 60% or less of the median income for King County adjusted for household size.	20% of the rental units shall be affordable to households making 80% or less of the median income for King County adjusted for household size; or 10% of the rental units shall be affordable to households making 70% or less of the median income for King County adjusted for household size.		

2. Payment in lieu of constructing any fractional portion of mandatory units is available upon City Council’s establishment of a fee in lieu formula. See subsection (E)(1) of this section. Full units are not eligible for fee in lieu option and must be built on site.

3. In order to be eligible for a property tax exemption pursuant to Chapter 3.27 SMC, 20 percent of units must be built to affordability standards.

4. In order to be eligible for permit or impact fee reductions or waivers, units must be affordable to households making 60 percent or less of the King County area median income.

...

SMC 20.50.020 Dimensional requirements.

A. Table 20.50.020(1) – Densities and Dimensions in Residential Zones.

Note: Exceptions to the numerical standards in this table are noted in parentheses and described below.

Residential Zones								
STANDARDS	R-4	R-6	R-8	R-12	R-18	R-24	R-48	TC-4
Base Density: Dwelling Units/Acre	4 du/ac	6 du/ac (7)	8 du/ac	12 du/ac	18 du/ac	24 du/ac	48 du/ac	Based on bldg.

Residential Zones								
STANDARDS	R-4	R-6	R-8	R-12	R-18	R-24	R-48	TC-4
								bulk limits
Min. Density	4 du/ac	4 du/ac	4 du/ac	6 du/ac	8 du/ac	10 du/ac	12 du/ac	Based on bldg. bulk limits
Min. Lot Width (2)	50 ft	50 ft	50 ft	30 ft	30 ft	30 ft	30 ft	N/A
Min. Lot Area (2) (13)	7,200 sq ft	7,200 sq ft	5,000 sq ft	2,500 sq ft	2,500 sq ft	2,500 sq ft	2,500 sq ft	N/A
Min. Front Yard Setback (2) (3) (14)	20 ft	20 ft	10 ft	10 ft	10 ft	10 ft	10 ft	10 ft
Min. Rear Yard Setback (2) (4) (5)	15 ft	15 ft	5 ft	5 ft	5 ft	5 ft	5 ft	5 ft
Min. Side Yard Setback (2) (4) (5)	5 ft min.	5 ft min.	5 ft	5 ft	5 ft	5 ft	5 ft	5 ft
Base Height (9)	30 ft (35 ft with pitched roof)	30 ft (35 ft with pitched roof)	35 ft	35 ft	35 ft (40 ft with pitched roof)	35 ft (40 ft with pitched roof) (16)	35 ft (40 ft with pitched roof) (8) (16)	35 ft (16)
Max. Building Coverage (2) (6)	35%	35%	45%	55%	60%	70%	70%	N/A
Max. Hardscape (2) (6)	45%	50%	65%	75%	85%	85%	90%	90%

Table 20.50.020(2) – Densities and Dimensions in Mixed Use Residential Zones.

Note: Exceptions to the numerical standards in this table are noted in parentheses and described below.

STANDARDS	MUR-35'	MUR-45'	MUR-70' (10)
Base Density: Dwelling Units/Acre	N/A	N/A	N/A
Min. Density	12 du/ac (17)	18 du/ac	48 du/ac

STANDARDS	MUR-35'	MUR-45'	MUR-70' (10)
Min. Lot Width (2)	N/A	N/A	N/A
Min. Lot Area (2)	N/A	N/A	N/A
Min. Front Yard Setback (2) (3)	0 ft if located on an arterial street 10 ft on nonarterial street 22 ft if located on 145th Street (15)	15 ft if located on 185th Street (15) 0 ft if located on an arterial street 10 ft on nonarterial street 22 ft if located on 145th Street (15)	15 ft if located on 185th Street (15) 22 ft if located on 145th Street (15) 0 ft if located on all other streets
Min. Rear Yard Setback (2) (4) (5)	5 ft	5 ft	5 ft (20)
Min. Side Yard Setback (2) (4) (5)	5 ft	5 ft	5 ft (20)
Base Height (9) (16)	35 ft	45 ft	70 ft (11) (12) (13)
Max. Building Coverage (2) (6)	N/A	N/A	N/A
Max. Hardscape (2) (6)	85%	90%	90%

Exceptions to Table 20.50.020(1) and Table 20.50.020(2):

(1) Repealed by Ord. 462.

(2) These standards may be modified to allow unit lot developments, mixed single-family attached developments and zero lot line developments. Setback variations apply to internal lot lines only. Overall site must comply with setbacks, building coverage and hardscape limitations; limitations for individual lots may be modified.

(3) For single-family detached development exceptions to front yard setback requirements, please see SMC 20.50.070.

(4) For single-family detached development exceptions to rear and side yard setbacks, please see SMC 20.50.080.

(5) For developments consisting of three or more dwellings located on a single parcel, the building setback shall be 15 feet along any property line abutting R-4 or R-6 zones. Please see SMC 20.50.160.

(6) The maximum building coverage shall be 35 percent and the maximum hardscape area shall be 50 percent for single-family detached development located in the R-12 zone.

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(7) The base density for single-family detached dwellings on a single lot that is less than 14,400 square feet shall be calculated using a whole number, without rounding up, except when a single lot is divided by a zone boundary. Refer to subsection (D)(2)(a) of this section for calculation of density when a single lot is divided by a zone boundary.

(8) For development on R-48 lots abutting R-12, R-18, R-24, R-48, NB, CB, MB, CZ and TC-1, 2 and 3 zoned lots, the maximum height allowed is 50 feet and may be increased to a maximum of 60 feet with the approval of a conditional use permit.

(9) Base height for public and private K through 12 schools in all zoning districts except R-4 is 50 feet. Base height may be exceeded by gymnasiums to 55 feet and by theater fly spaces to 72 feet.

(10) ~~Dimensional standards in the MUR-70' zone may be modified with an approved development agreement.~~ Repealed

(11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnotes 12 below, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject Administrative Design Review approval and to the following:~~The maximum allowable height in the MUR-70' zone is 140 feet with an approved development agreement.~~

a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied;

b. One of the following are provided:

1. The development provides commercial space of at least 10,000 square feet; or

2. Thirty percent of the ground floor area within the development is devoted to neighborhood amenities that include areas open and accessible for the community, office space for nonprofit organizations, an eating or drinking establishment, or other space that may be used for community functions. The neighborhood amenity area should be at grade and adjacent to sidewalks or pedestrian paths.

c. The development shall provide park, recreation, open space, or plaza area open and accessible to the public. The area shall be in addition to the requirements for Public Places and Multifamily Open Space in SMC 20.50.240 subsection (F) and (G);

d. The development shall provide one percent of the building construction valuation to be paid by the applicant for contribution toward art or placemaking amenities that are open and accessible to the public; and

e. The development shall provide subarea improvements such as utility infrastructure system improvements, off-site frontage improvements (consistent with the Engineering

Development Manual), or installation of amenities such as transit stop shelters, lighting, or wayfinding signage.

(12) Base height in the MUR-70' zone may be increased up to 80 feet when at least 10 percent of the significant trees on site are retained and up to 90 feet when at least 20 percent of the significant trees on site are retained.

(13) All building facades in the MUR-70' zone fronting on any street shall be stepped back a minimum of 10 feet for that portion of the building above 45 feet in height. Alternatively, a building in the MUR-70' zone may be set back 10 feet at ground level instead of providing a 10-foot step-back at 45 feet in height. MUR-70' fronting on 185th Street shall be set back an additional 10 feet to use this alternative because the current 15-foot setback is planned for street dedication and widening of 185th Street.

(14) The minimum lot area may be reduced proportional to the amount of land needed for dedication of facilities to the City as defined in Chapter 20.70 SMC.

(15) The exact setback along 145th Street (Lake City Way to Fremont Avenue) and 185th Street (Fremont Avenue to 10th Avenue NE), up to the maximum described in Table 20.50.020(2), will be determined by the Public Works Department through a development application.

(16) Base height may be exceeded by 15 feet for rooftop structures such as elevators, arbors, shelters, barbeque enclosures and other structures that provide open space amenities.

(17) Single-family detached dwellings that do not meet the minimum density are permitted in the MUR-35' zone subject to the R-6 development standards.

(18) The minimum front yard setback in the MUR-70' zone may be reduced to five feet on a nonarterial street if 20 percent of the significant trees on site are retained.

(19) The maximum hardscape for public and private kindergarten through grade 12 schools is 75 percent.

(20) Setback may be reduced to zero feet when a direct pedestrian connection is provided to adjacent light rail transit stations, light rail transit parking garages, transit park and ride lots, or transit access facilities.

SMC 20.50.400 Reductions to minimum parking requirements.

A. Reductions of up to 25 percent may be approved by the Director when subsection (A)(1) of this section is met, or when a combination of two or more of the following subsections (A)(2) through (9) of this section is met:

1. A high-capacity transit service stop (e.g., bus rapid transit, light rail) is within one-quarter mile of the development's property line. This provision applies to

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developments seeking reductions prior to and after commencement of revenue service at new stops.

2. A parking demand analysis prepared by a qualified professional demonstrates that parking demand can be satisfied with a reduced parking requirement.
 3. There is a shared parking agreement with nearby parcels within reasonable proximity where land uses do not have conflicting parking demands. A record on title with King County is required.
 4. A parking management plan is prepared by the applicant according to criteria established by the Director.
 5. A City-approved residential parking zone (RPZ) is established for the surrounding neighborhood within a one-quarter mile radius of the development's property line. The management cost for the RPZ must be paid by the applicant and/or property owner on an annual basis.
 6. A public access easement that is a minimum of eight feet wide, safely lit, and connects through a parcel between at least two different rights-of-way. The access easement shall be developed with a sidewalk or shared use path that complies with the Engineering Design Manual. This easement may include other pedestrian facilities such as plazas and bike facilities.
 7. Retention of at least 20 percent of the significant trees on a site zoned MUR-70'.
 8. Replacement of all significant trees removed on a site zoned MUR-70' as follows:
 - a. One existing significant tree of eight inches in diameter at breast height for conifers or 12 inches in diameter at breast height for all others equals one new tree.
 - b. Each additional three inches in diameter at breast height equals one additional new tree, up to three trees per significant tree removed.
 - c. Minimum Size Requirements for Replacement Trees Under this Subsection. Deciduous trees shall be at least one and one-half inches in caliper and evergreens at least six feet in height.
 9. On-site dedicated parking spaces for a car-sharing service with an agreement with the provider(s).
- B. Parking reductions for Deep Green Incentive Program projects are set forth in SMC 20.50.630. Reductions granted under the Deep Green Incentive Program shall not be combined with the parking reductions in subsections A and C of this section.

- C. Parking reductions of up to 50 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70' zone containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more, provided the following criteria are satisfied:
1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
 - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
 - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development's parking demand; and
 - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.
 2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan's performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.
- ~~CD.~~ A request for a parking reduction shall be processed as a Type A action, as set forth in SMC 20.30, Subchapter 2.
- ~~DE.~~ When granting a parking reduction, the Director may impose performance standards and conditions of approval on a project, including a financial guarantee.
- ~~EF.~~ Reductions of up to 50 percent may be approved by the Director for the portion of housing providing low-income housing units that are 60 percent of AMI or less as defined by the U.S. Department of Housing and Urban Development. This parking reduction may be combined with parking reductions identified in subsection A of this section.
- ~~F. Parking reductions for affordable housing or the Deep Green Incentive Program may not be combined with parking reductions identified in subsection A of this section.~~

Proposed Council Amendments to Exhibit A of Proposed Ordinance No. 968

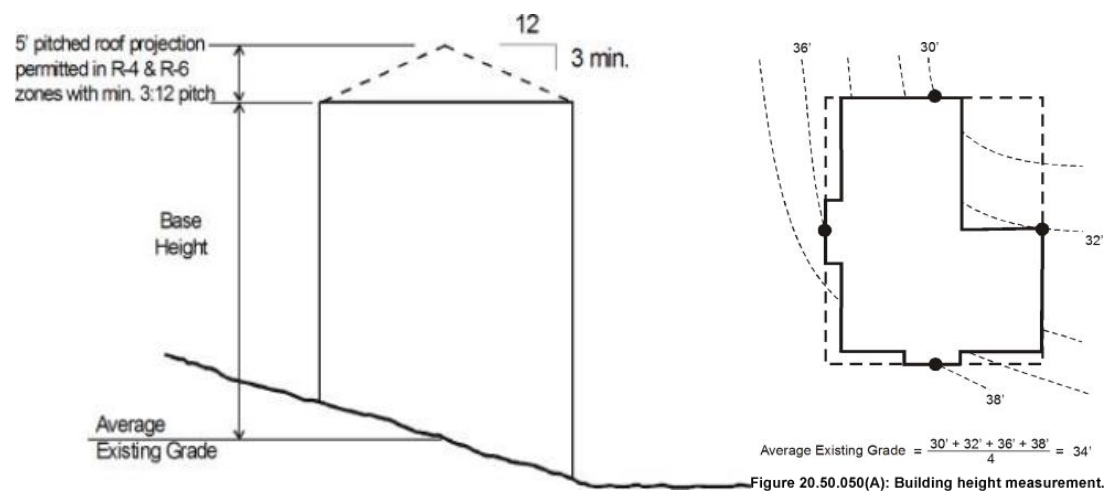
Amendment No.	Proposing Councilmember	SMC Section	Topic	Staff Recommendation
1	Mork	20.30.297(C)(3)	Neighborhood meeting	Neutral
2	Roberts	20.50.020(A)(11)(b)	Ground floor commercial	Approve
3	Roberts	20.50.020(A)(11)(c)	20% of public places open and accessible	Approve
4a	Ramsdell	20.50.050(A)(11)(d)	2% toward parks, open space, art	Not Approve
4b	Roberts	20.50.020(A)(11)(d)	1% to art, include provision for maintenance of art	Approve
5	Roberts	20.50.020(A)(11)(e)	0.25% off site improvements, 1% if required parking is eliminated	Approve, in part
6	Mork	20.50.020(A)(11)(f)	Green building requirement	Approve
7	Mork	20.50.020(A)(11)(g)	Transfer of Development Rights (TDR) requirement	Not Approve
8a	Roberts	20.50.400(C)	Remove development size threshold for parking reductions	Neutral
8b	Roberts	20.50.400(C)	Expand parking reductions up to 100%	Not Approve

Building Height Examples

Examples

Generally, a story of a building is anywhere from 10-15 feet high. The taller the structure, the larger the story is likely to be. Shoreline's commercial design standards require all ground floor commercial spaces to be constructed with a minimum floor-to-ceiling height of 18 feet, and a minimum clear height of 15 feet. This means that mixed-use buildings with ground floor commercial will have a larger ground level story.

For the purposes of the zoning code, building height is measured from the average existing grade to the peak of the structure:



35' Height

30-35' is the maximum height in the City's low density residential zone districts, as well as the MUR-35 zone district. This height allows for typical single-family dwellings, duplexes, and 2-3 story townhomes.

Example: corner of 3rd Ave NE and NE 180th St (Shoreline)



Example: 18322 1st Ave NE (Shoreline)



45' Height

45' is the maximum height in the City's MUR-45 zone district. This height allows for 3-4 story townhomes, condos and apartments.

Example: Townhomes at Northeast Ellis Drive and 8th Avenue Northeast (Issaquah Highlands)

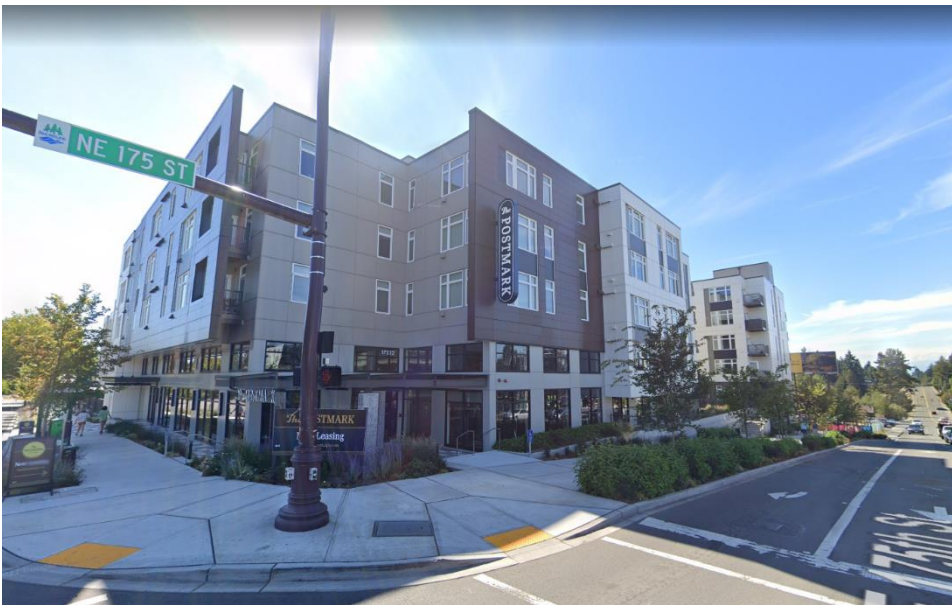




60' Height

A 60' height limit results in up to 4-5 stories, depending on grade change.

Example: Postmark Apartments at NE 175th St and 15th Ave NE (Shoreline)



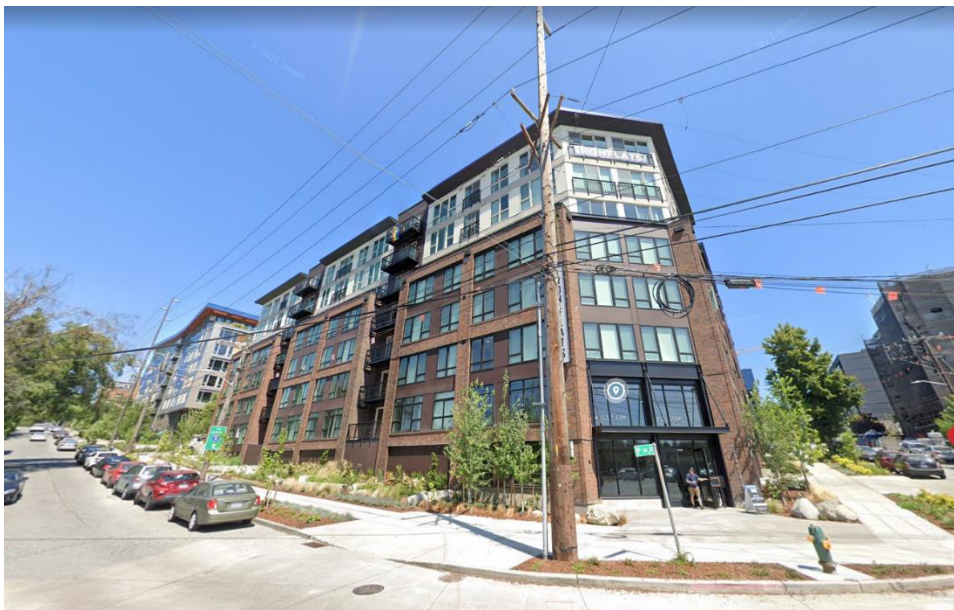
70' Height

A 70' height limit results in up to 7 stories, depending on grade change. Five-over-two or five-over-one podium designs, referencing five floors of timber frame over a concrete podium base, are popular given height limits and building code requirements. This mid-rise height is popular for apartment complexes throughout the region.

Example: Geo Apartments at Midvale Ave N and NE 180th St (Shoreline)



Example: Ironflats Apartments, NE 66th St and 8th Ave NE (Seattle)



100' Height

100' height limits allow for up to 9-10 stories, depending on grade change.

Melrose Avenue and Pine Street (Seattle – Capitol Hill)



Staybridge Suites at Mercer Street and Fairview Avenue North (Seattle – SLU)



120' Height

120' height limits allow for up to 10-11 stories, depending on grade change.

Example: Seattle University residence hall at 1107 E Madison St (Seattle – Capitol Hill)



140' height

140' height limits allow for up to 12-13 stories, depending on grade change.

Example: Mirabella Retirement Community at 116 Fairview Ave N (Seattle – SLU) 12 stories above grade



Example: Amazon Brazil building, 400 9th Ave N (Seattle – SLU) approx. 12 stories above grade, ground floor commercial use.

