

## PLANNING BOARD MINUTES September 8, 2004

---

---

Chair Young called the regular meeting of the Planning Board to order at 7:00 p.m. in the Council Chambers, Public Safety Complex, 250 – 5<sup>th</sup> Avenue North.

### BOARD MEMBERS PRESENT

James Young, Chair  
Judith Works  
Jim Crim

Virginia Cassutt  
John Dewhirst  
Cary Guenther (arrived at 7:30 p.m.)  
Don Henderson

### BOARD MEMBERS ABSENT

Janice Freeman

### STAFF PRESENT

Rob Chave, Planning Division Manager  
Duane Bowman, Development Services Director  
Jennifer Gerend, Economic Development Director  
Karin Noyes, Recorder

### READING/APPROVAL OF MINUTES

BOARD MEMBER WORKS MOVED TO APPROVE THE MINUTES OF AUGUST 11, 2004 AS CORRECTED. BOARD MEMBER DEWHIRST SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY, WITH BOARD MEMBER CASSUTT ABSTAINING.

### ANNOUNCEMENT OF AGENDA

There were no changes made to the proposed agenda.

### REQUESTS FROM THE AUDIENCE

**Rowena Miller, 8711 – 182<sup>nd</sup> Place Southwest**, submitted a letter containing her written remarks regarding the height limit in the downtown area. She advised that she attended the recent City Council meeting at which building heights in the downtown/waterfront area were discussed. She felt that since the Planning Board would be doing the basic work to update the Comprehensive Plan, it would be appropriate to speak before them, as well. She said her letter focuses on the concerns about building heights that the citizens of Edmonds have expressed for decades. Over and over again, people have unsuccessfully asked for higher building heights in the downtown, and she asked that the Planning Board make a recommendation to leave the building heights as their currently exist in order to preserve Edmonds' charm, livability and smaller town atmosphere.

**Natalie Shippen, 1022 Euclid Avenue**, said the Planning Board is being asked to review the Comprehensive Plan and suggest amendments to the City Council. She said she finds it unique that the Board is being asked to do this based strictly on economic issues, when other significant and unique factors should also be considered such as:

- The taxable retail sales, which is the best indicator of retail growth, has increased by 3% in Edmonds, and this is typical of Snohomish County and better than many surrounding communities.

- The Edmonds downtown is made up primarily of small businesses, and it has been mentioned that 80% of these businesses fail within the first three years. However, she pointed out that no comparison has been made to the failure rates at the national, state and county levels. This comparison needs to be made before the Board can fall for the line that downtown Edmonds is in distress.
- Edmonds has always been a margin community since it sits on Puget Sound without any major highway access going through it. While Edmonds has not grown as fast as other communities in the area, the City must also consider the quality of development that has occurred.
- The demography of Edmonds is made up of a significant number of older residents who are not looking for a lively scene at night in the downtown area. In addition, these older residents are not buyers. They are looking for things to get rid of rather than purchasing more stuff. These people have plenty of time on their hands and they can travel to Lynnwood or other communities to get all of the things that are not available in Edmonds.
- All of the more practical businesses have attempted to establish in the Edmonds downtown, but now they are gone. It is not the City's responsibility to make these businesses successful. This is the responsibility of the private sector. The Comprehensive Plan should not be amended so that businesses can make money.
- In the Hyatt-Palma Report and the Downtown Economic Enhancement Study that was completed in 1999 both state that many in the real estate development community would like to see an increase in the height limit. The study does not say that many of the Edmonds citizens would support an increase in the height limit. The push to increase the height limit is coming from the development community. The report also states that Edmonds should never be pro business at the expense of the downtown quality. This is an interesting statement since the study was funded by the Chamber and Alliance. The study cautions Edmonds not to fall for this concept.

Ms. Shippen urged the Board to be honest when reviewing the height limits in the downtown area. The City Council is not interested in a product of the Board's intellect or conscience. They want the Board to cover their tails because they want to increase the height limits. The Planning Board members should act according to their own consciences, rather than being motivated by politics.

**Ron Wambolt, 530 Dayton Street,** agreed with Ms. Shippen and Ms. Miller. He said that, hopefully, the Board would oppose any increase in the height limit in the BC zone. It has been said that a greater height limit is needed in order to allow for a higher first floor. However, he said he believes the reason for the requested height increase is to allow a builder to cram three floors into what was envisioned to be two floors. He noted that at least one City Council Member stated that higher buildings are needed to generate more revenue for the City. However, he suggested that the City must analyze exactly how much money a new building height limit would generate. He noted that the condominiums that are being built on the former Unocal Site would have a tax value of at least \$150 million. Historically, the total property taxes are one percent of the assessed value, which would be \$1.5 million. The City would receive about \$300,000 of this increased tax revenue.

Mr. Wambolt said he researched what would need to occur in the downtown area in order for the City to receive an equal amount of tax revenue as that generated by the new condominiums. He estimated that the City would need about 100 more buildings with a third floor. There are about 165 properties in the BC zone, so this would basically require the entire BC zone to be built up to three floors. He questioned if this is what the City wants for the character of the downtown area. He said the only reason he can see for the City Council to move in this direction is that there are four members who are advocates for builders. He pointed out that, at their last meeting, they went against the Planning Board's recommendation and approved a change for the building at Fifth and Walnut. He asked the Board to look carefully before they recommend increasing the building heights.

**Norma Bruns, 960 Fifth Avenue South,** said she hopes the Board does not recommend an increased height limit in the downtown BC zone. For those citizens who have lived in Edmonds for many years, this topic has arisen over and over again, and the outcome has always been to leave the height limit as is. She said the majority of the citizens of Edmonds do not want to see the character of the downtown changed. People do not come to downtown Edmonds to see tall, massive buildings. She said she, too, attended the last City Council meeting, and she cringed when the City Council overturned the Planning Board's recommendation for the building at Fifth and Walnut. She said she feels this was a bad move on their part.

## **PRESENTATION OF HIGHWAY 99 ENHANCEMENT REPORT ECONOMIC ANALYSIS**

Mr. Bowman introduced Chris Mefford, Berk & Associates, who is the author of the Highway 99 Enhancement Report Economic Analysis. He explained that the report is a product of the Highway 99 Task Force's efforts to look at the Highway 99 Corridor and come up with economic development enhancement opportunities for the Planning Board to consider in their review of the Comprehensive Plan. He advised that the City of Edmonds has traditionally looked at the Highway 99 Corridor as the place where economic development and redevelopment should occur, but they have not paid a lot of attention to this effort. The purpose of the Task Force was to pull together representatives from the area to come up with recommendations on what could be done to stimulate redevelopment. The services of Berk & Associates were obtained to conduct the economic analysis study.

Chris Mefford, Berk & Associates, provided a brief summary of the market assessment and highlighted the key findings. He advised that the purpose of the market assessment was to assess the market feasibility of development along Highway 99, paying particular attention to the Highway 99 Enhancement Report that was completed by MAKERS. This effort included an overview of the City's fiscal opportunities and implications associated with economic development on Highway 99. It also included an evaluation of the proposed mixed-use BR zone.

Mr. Mefford said he believes the market assessment reflects the development scenarios identified by the stakeholders and the professional Highway 99 Enhancement Report that was completed by MAKERS. He explained that the Growth Management Act provides guidelines for determining development rates, and MAKERS focused on those areas that are best suited for redevelopment. The market assessment also identifies improvements that would help attract developers to key sites along the Highway. He said he believes the enhancement report focuses development accurately on vacant and redeveloped parcels. It divides the corridor into four development nodes, which helps to create synergies among developments, to focus identity along the corridor and guide public investments.

Mr. Mefford advised that market factors were considered as part of the assessment process. He noted that the demographics in the areas along the Highway 99 corridor are very strong, and many people live within a short distance of the corridor. In addition, the incomes are high. This results in a great potential for businesses to relocate to the corridor. In addition, the Asian businesses serve as a strong Asian consumer segment and present development momentum and provide a strong sense of identity. He said he found that the City's zoning ordinances are flexible, development friendly, and do not deter development. However, traffic circulation problems are a deterrent for many businesses. The challenging left-turn movements reduce opportunities to attract passers-by on the opposite side from retailers. Addressing the traffic problems will be a key challenge to redevelopment along Highway 99, which is an auto oriented, commercial strip that is not desirable for pedestrian access. In addition, the angled alignment of the Highway presents traffic circulation problems for development. Left-turning movements from the Highway to businesses are particularly challenged by sharp turning movements and on-coming traffic. This is a strong deterrent for retailers, especially fast-food businesses and stores that rely on convenience of access.

Mr. Mefford pointed out that parcel size and shape makes redevelopment difficult. Large retailers and center developers could not build on the vacant and redevelopable land in Edmonds along the Highway. Most sites are moderate to small in size, which makes them suitable for family restaurants, fast-food restaurants and small retail centers. Development of these sites will call for more creativity. He noted that the Burlington Coat Factory site is the largest site that could be available for redevelopment along the Edmonds portion of Highway 99. The other parcels are smaller and have a much smaller list of opportunities.

Mr. Mefford advised that multi-family housing along the Highway 99 Corridor in Edmonds, if developed well, would add vibrancy to the area, which is important in fostering a dynamic retail environment. Quality development could add to the property tax base, as well. He said he sees a strong demand for multi-family housing along the corridor, and this type of development could become a draw for retail businesses. He noted that the Enhancement Report shows some attractive examples of how housing and mixed uses can work well to add value to a commercial corridor. He added that the market appears to easily support development at a scale shown in the Enhancement Report, which is 565 to 636 housing units. However, while the condominium market is strong right now, there are some development issues related to liability.

**APPROVED**

Mr. Mefford advised that because of the strong demographics that exist in the area, he sees no reason why retail development along the Highway cannot happen in the short-term and develop more fully in the longer term. He felt the improvements identified in the Enhancement Report would encourage more retail development, particularly those related to traffic and pedestrian access. The most significant challenge will be to help developers visualize the benefits of the Highway location. The City must look for opportunities to help provide inviting access locations to offset the difficulty that exists in getting on and off the Highway. It is important to find ways to get people in and out of the businesses and to provide pedestrian access to link the businesses on both sides of the Highway.

Mr. Mefford advised that, depending on the density that is developed, the Enhancement Report identifies a scenario that would accommodate between 181,000 and 363,000 square feet of retail space. This would quantify to between \$600,000 and \$1.2 million of additional tax revenue to the City. He noted that, at this time, it is estimated that Edmonds and Mountlake Terrace residents spend roughly \$500 million elsewhere (excluding autos and groceries). He noted that family-oriented restaurants could attract higher income people, but these businesses need to have quality retail settings and great traffic access. Quick service restaurants are also needed along the Highway, and great access is needed to support drive-through windows.

Mr. Mefford advised that he believes the medical service offices in the vicinity will continue to grow and expansions at Stevens Hospital show a strong future for this portion of the corridor. The mixed-use BR zone policies are supportive of office development in the medical area, and demand for professional offices within this district is expected to continue. Planning for additional office space nearer to the hospital makes sense and integrating circulation connections to the nearest retail would help retailers take advantage of the activity around the hospital and medical offices.

Mr. Mefford pointed out that the site characteristics along the Highway would attract hotel developers to the hotel improvement area as a result of the access to the ferry, Interstate 5 and visibility from SR-104. However, the lodging market is currently over-supplied and relatively few hotels are expected to develop in the area near term. He noted that the fiscal benefits from lodging differ little from the fiscal benefits associated with retail sales.

Mr. Mefford reviewed that the proposed mixed-use zoning policies appear to be supportive of development. Related development would draw people to the area and attract more shopping at Top Foods, BooHan Plaza, 99 Ranch and other destinations. In addition, office space in this area is in high demand and zoning and policies that are supportive of this type of development would enhance the economic vitality of the corridor. Streetscape improvements and pedestrian amenities would also help advance neighborhood identity and attract quality development.

Mr. Mefford advised that fiscal benefits accrue primarily from property taxes, retail taxes and utility taxes, and the best fiscal impact along the Highway will likely come from the developments that are in greatest demand from a market feasibility perspective. Both commercial and residential developments could add to the property tax base. He further advised that an important aspect to consider is the success and quality of the developments. Anything that can be done, from a community development perspective, to improve the attractiveness and the access for the corridor would be the best fiscal action strategy.

Mr. Mefford summarized that the key physical constraints along the corridor are traffic management, the size and shape of key development sites, and a lack of clear commercial centers. He noted that the Enhancement Report provides strategies for improving the connection between the two sides of the corridor. He said that while it is not realistic to think there could be a lot of pedestrian activity across the corridor, the City should do what they can to improve connectivity.

Mr. Mefford recommended that the City's key areas of focus for actions and improvements should include: improving left-turns from the Highway, increasing visibility for key sites, developing inviting entryways into commercial centers, improving highway and pedestrian crossings, developing streetscape improvements to create and enhance identity, finding ways to bundle additional parcels strategically to assist in developing larger sites, and collaborating with developers creatively with a development-supportive approach. He also recommended that recruitment efforts should focus on the larger sites for more robust development. Family-oriented restaurants, fast-food restaurants, commercial center retail and one or two larger retail businesses would present excellent changes for success. There is a clear lack of restaurant services in this area along the corridor. He added that fostering high-quality residential and mixed-use development would add to the

vitality of the corridor and further support commercial development. He noted that there are good examples of successful mixed-use developments along the corridor.

Mr. Mefford advised that community centers have been raised as a possibility for locating along Highway 99. However, evaluating the feasibility of a community center was beyond the scope of the study. He advised that a strong community center that attracts people to the corridor could be a clear benefit to the area. In many cities, community centers and civic space provide a catalyst that spurs additional development. He summarized that the corridor is in need of more reasons for people to come to the area, and a community center would present an opportunity for retail businesses to build off of.

Board Member Dewhirst said he was surprised to see that auto sales businesses were not included as part of the strategies. Mr. Mefford answered that he touched briefly on auto sales early in the analysis, but because of the initial focus of the Enhancement Report and after working with the Highway 99 Task Force and staff, they did not do a detailed market analysis for auto sales as a particular land use. However, he advised that auto sales businesses can potentially become great generators of sales tax revenue, and large sites accommodate this type of use well.

Board Member Dewhirst said it appears the City went through this exercise to find out what opportunities there are to increase the sales tax to supplement the City's budget, and auto sales can potentially be one of the most significant sales tax generators. Mr. Mefford said the market assessment stopped short of hailing auto sales as an opportunity for fiscal benefits because many are eyesores and not as great a fiscal generator as thought. He said that while he agreed that a good auto sales business would improve the sales tax revenue, he did not see this type of use as something that would warrant a significantly higher ranking. He said the challenge is to balance out both the fiscal and the community development objectives.

Board Member Dewhirst said there appears to be a conflict in the report in that it says there is potential for four centers, but then it emphasizes that there is not space for the large kinds of centers or retail businesses. The assessment states that the City should focus on attracting businesses that are mid-sized or smaller, with an emphasis on restaurants and fast food businesses. He said he sees a pull between trying to get things in centers with identifiable characteristics and quality versus strip commercial developments. He said he has a hard time figuring out how these two development concepts would fit together. Mr. Mefford agreed that this is definitely a challenge associated with redevelopment. But he pointed out that small and medium sized businesses are not necessarily bad uses along the corridor. However, this does exclude large-scale commercial development that allows for more flexibility. He said his goal was to look at how the parcel sizes match the market demand. He noted that there are some examples in the Enhancement Report of types of uses that would fit along the corridor. He agreed with Board Member Dewhirst that there is somewhat of a conflict, but the types of uses that are located along the corridor should be market based. The goal is to engage a developer in dialogue early on to see if there is a role the City could play in improving the quality of the development. He suggested that access should be one of the key objectives.

Board Member Dewhirst said the challenge to the City is that while they can control some aspects of redevelopment along the corridor, there is a lot they cannot control. From a physical standpoint, there are not very many policies that deal with parcel aggregation. While there are some very good examples of parcel aggregation around the western United States, the State does not provide any policies that would facilitate this option. He suggested that perhaps the City should set the bar high by creating different standards for centers and the areas in between the four centers. Mr. Mefford cautioned that the difficulty in creating new standards is the signal that is sent to the developers. He explained that standards work best when they are associated with an area that is in very high demand. However, it appears that Edmonds is not in the position to send this type of signal to developers. From a strategy perspective, Mr. Mefford suggested that the City should send a message to the developers that they want to work with them. They can provide a vision of what they have in mind for the corridor, and then work with the developers to try and achieve that vision.

Board Member Dewhirst reminded Mr. Mefford that a good portion of the Highway 99 corridor has been designated as a zone that allows \_\_\_\_\_ as required by State law. He inquired if this would be detrimental to what the City is trying to achieve with redevelopment along the Highway. Mr. Mefford said this would obviously present a challenge for mixed-use and residential development and the concept of fostering a community identity. He personally felt that if an business were to locate along the corridor, it could become an obstacle for other types of redevelopment. The list of potential uses would definitely diminish in areas where \_\_\_\_\_ had a major presence.

Mr. Chave referred to the BR zoning proposal, which would have a 50-foot height limit, with an additional 30 feet if a conditional use permit is obtained. The Enhancement Report indicates that this concept would be consistent with the development schemes, but he asked Mr. Mefford to provide further insight. Mr. Mefford referred to the study that was conducted for the City of Woodinville showing the market tradeoffs associated with extra height limits. There is a market-based issue as to when extra heights would become an incentive for development. He said that, in general, if a developer can get more revenue out of a parcel, they tend to be more interested. However, if there are other criteria associated with the additional height provision, such as ground floor retail uses, the issue becomes more complex. It is very challenging for developers to time the two different markets (retail and multi-family residential). When the markets are out of sync with each other, the extra height may not be an incentive the City would want to offer.

Board Member Young said he was pleased to see that there aren't really any global institutional barriers for redevelopment along Highway 99, as long as it is consistent with the underlying zoning. Since the market demand and demographics are favorable, he questioned why redevelopment has not occurred to date. He suggested that the problem lies partially with the existing land ownership patterns. There are only so many small businesses that can thrive on a high-capacity highway. Mr. Mefford advised that ownership patterns definitely have an impact on corridor redevelopment, and the size and configuration of the existing parcels present limitations. When comparing development on the Edmonds portion of Highway 99 to the Lynnwood and Shoreline portions, it appears that Edmonds has historically missed out. The densities of the areas to the north and south are much greater, and there is a higher concentration of both retail and residential opportunities. However, the demographics in the Edmonds portion are strong, and there are a lot of dollars going elsewhere.

Mr. Mefford pointed out that in order to make the sites along the corridor attractive for developers, the City must address the access issues. This is important on a highway that is not a terminus for a lot of people. Most people coming through the corridor area come from the north or the south to get to work. If a business is located on the side of the road that has more traffic in the evening hours, more people will likely stop and patronize the business. People are less likely to stop at businesses on their way to work in the morning. The Highway in this area has a lot of traffic in both the morning and the evening hours, and it is important for retailers to figure out how to capture these people as they pass by.

Mr. Mefford said one of the key goals of the City should be to improve the access in and out of the properties along the Highway. Chair Young noted that it would be difficult for the City to address access issues because the corridor is a State Highway, and the State imposes a lot of highway access conditions.

Chair Young recalled that the Board has discussed pedestrian access across Highway 99 on numerous occasions. He questioned why improving this access would improve the situation for businesses that are restricted to relatively small developments. Mr. Mefford explained that the value of having pedestrian across Highway 99 would be to connect land on both sides of the Highway so that shoppers can utilize the businesses on both sides safely. This makes both sides of the corridor more attractive for redevelopment, and is an important step in making the corridor more accessible.

Chair Young asked what the City could do that would provide a catalyst to get something started. Mr. Mefford answered that Washington State has very few tools available for economic development, and there are no easy answers. It is hoped that the Enhancement Report and the Market Assessment provide a set of information that can be used to develop policies for the City to work with developers to creatively improve sites. A key issue for retail locations along Highway 99 is visibility, so the sign ordinance and pad developments are significant. It is important for developers to know with certainty that a business site is visible to passing traffic. He noted that the City's sign ordinance was not identified as an issue of concern. In addition, retail businesses that draw people to the area would improve the situation. Smaller retail businesses could fill in around the larger ones. However, this requires larger sites for redevelopment.

Mr. Bowman said the idea is for the Board to use the information contained in the market assessment and the enhancement report to formulate policy decisions related to Highway 99. At this point, the Highway 99 Task Force is ready to move forward with changes. He recalled that when the Top Foods Project was developed, the City worked cooperatively with the developer on street vacation and parcel aggregation. Now Top Foods would like a r development to occur on their site. Clearly, the Burlington Coat Factory site is a prime location for redevelopment, as well. There is vacant land in the rear that is under the same property ownership. The owner understands the value of this land if it is redeveloped as a commercial site.

**APPROVED**

Regarding pedestrian access, Mr. Bowman said some of the residents living on both sides of the corridor expressed concern about the huge barrier that exists along the corridor between 224<sup>th</sup> and 238<sup>th</sup> Streets. There are no pedestrian crossing areas in this location. There is no way for the residents living in the area to access the opposite side of the corridor on foot. The same problem is true for people who are trying to access the bus stops. They cannot access the bus stops across the street without walking a long way up the street in order to cross.

Mr. Bowman said there is real potential for mixed-use and multi-family development that would make the retail businesses more attractive. The City also has to figure out how to get people across the Highway. The Task Force will be discussing this and the issue of traffic signals and enhancements.

Board Member Dewhirst said the State conducted a study of State highways, and they found a strong correlation between bus stops and pedestrian access. He said he talked with the City's traffic engineer regarding the Highway 99 corridor and asked whether or not he has started any work. The traffic engineer indicated that he has not had time to work on this effort. Board Member Dewhirst questioned if the Planning Board should send a letter to the Mayor and the City Council directing the City to start a study of the report. He noted that it takes a long time for change along a State Highway to occur. The City needs a management access plan for the whole corridor that includes locations for new lights, crossing treatments and other problems identified. This would take coordination with the City of Mountlake Terrace and Community Transit. He said he would like the Board to jump-start this effort now. The City Council is currently in the budget process for next year, and it is important for them to consider setting aside some money to start doing the things that have been identified now rather than waiting for another year or two.

Mr. Bowman said that as the Board reviews the Comprehensive Plan, they could identify policies that support this kind of activity. They need to think about what kinds of physical improvements the City could do to encourage development. For example, the City could partner in developing a signal at 240<sup>th</sup> Street as an incentive for someone to pull together a redevelopment plan for the Burlington Coat Factory site.

Board Member Dewhirst suggested that the time is right for the City to develop a management access plan for the corridor because Community Transit and Sound Transit are currently examining Highway 99 as a possible location for rapid transit routes. Pedestrian access across the highway is a critical component of this concept. If the City starts this process now, Community Transit and Sound Transit would have a vested interest to improve the pedestrian crossings, and they might have access to other funding sources that the City does not. They should begin to gather information that would assist them in coming up with an action management plan for the corridor. Mr. Bowman agreed that the Board could direct a letter to the Mayor and the City Council advising them that the Board thinks it is a high priority for the City to study the corridor as a traffic management area.

Board Member Works referred to a letter from Mr. Piha about the possibility of including an additional parcel in the report. Mr. Bowman said he could gather more information about this specific parcel, and the Board could then decide whether it should be included in the report or not. From the Enhancement Report standpoint, it indicates that his property would be appropriate for mixed-use development.

Chair Young agreed with Board Member Dewhirst that an access management plan would be appropriate, and that the Board should put the City Council on notice of the need to provide funding to move forward. He said he would prepare a draft letter for the Board's review and comment at their next meeting. He agreed that the process should get started as soon as possible.

Mr. Bowman agreed with Board Member Dewhirst that there are other agencies looking at the corridor right now, and this opens up the potential to partner for grant opportunities.

The Board members all agreed that the market assessment was very good.

#### **DISCUSSION OF AMENDMENTS TO COMPREHENSIVE PLAN RELATED TO HIGHWAY 99**

**APPROVED**

Mr. Chave said the purpose of this agenda item was to allow the Board an opportunity to talk about the things that were presented in the Enhancement Report and Market Assessment. He reminded the Board that the Comprehensive Plan contains various policies related to the Highway 99 corridor. While there is nothing that would require changes, some ideas and concepts have been presented that should be incorporated into the Comprehensive Plan. Board Member Dewhirst's idea of coordinating City efforts with other agencies to create a management plan for pedestrian and transit access is good. This is a key factor in how Highway 99 will potentially redevelop.

Board Member Crim said the concept of identifying nodes along Highway 99 is another policy that should be included in the Comprehensive Plan. In addition, the concepts found in the Enhancement Report should be incorporated into the Comprehensive Plan. Board Member Dewhirst noted that Pages 25-27 of the Comprehensive Plan appear to be outdated. He felt that City should call out the work that has been done around the hospital as a separate subsection of Highway 99. He said he would like to call out the four nodes and indicate the vision and land use for each and how they are different.

Mr. Chave suggested that placeholders could be put in the Comprehensive Plan. As more work is done on Highway 99, they could fill in the gaps. They could start by including the framework for change. Board Member Dewhirst suggested that the maps from the Enhancement Report should be included in the Comprehensive Plan, such as the one that identifies and describes the nodes.

Board Member Crim said that including the BR zoning concept as a separate issue in the Comprehensive Plan would be appropriate. Mr. Chave agreed that it would be appropriate for the Comprehensive Plan to identify some of the ideas that were discussed for the BR zone. Mr. Dewhirst suggested that the first section of the BR zoning ordinance could be turned into Comprehensive Plan language. This provides a good description of what the Board envisions for that area and talks about encroaching into residential neighborhoods, design activities, etc.

Mr. Chave recalled the Board's earlier discussion on BR zoning and suggested that the actual boundaries be drawn out in the Comprehensive Plan. The Board was looking at a slightly different zoning configuration compared to how the existing RM zoning is laid out. He said he would try to have this new material available to the Board for their review at the next meeting.

## **REVIEW OF PUBLIC OPEN HOUSE**

Mr. Chave reported on the open house that was recently held, at which the City's critical areas consultant, EDaw, provided a presentation of the critical areas regulations ordinance. A few people were particularly concerned about critical areas issues related to the Meadowdale area. They commented that the Meadowdale regulations should be included in the critical areas ordinance. However, Mr. Chave pointed out that best available science indicates that the Meadowdale area should be separate. He said he directed these citizens to an upcoming hearing before the City Council regarding the Meadowdale regulations.

Mr. Chave said that after the consultant's presentation, those in attendance broke into several groups. Of the 40 people present, about 30 of them headed to the Downtown/Waterfront Plan group. Board Member Works said she was at that table, and it was clear that the most significant issues of concern were related to building height. The public in attendance indicated that they were opposed to raising the height limits. Board Member Crim agreed that the strong opinion was that height limits should not be raised, but the merchants expressed that a higher first floor is absolutely necessary. Mr. Chave said that while the merchants indicated that they didn't especially care what the overall height limit was, they wanted to make sure there was reasonable retail space. They indicated that they were also interested in creating a residential market.

Board Member Works inquired if the economic analysis that is being conducted for the downtown area would take into account the construction that is taking place on the former Unocal site. Mr. Chave answered that it would not. The analysis would focus on the BC zone. He said the Board could ask the finance director to put together some information on the potential impact of this development. The Board agreed that this information would be helpful.

**APPROVED**

**REVIEW OF DRAFT DOCUMENTS FOR THE 2004 COMPREHENSIVE PLAN UPDATE, INCLUDING AMENDMENTS TO DOWNTOWN WATERFRONT PLAN, HIGHWAY 99 PLAN, AND AMENDMENTS TO THE LAND USE MAP RELATED TO ZONING CHANGES**

Mr. Chave referred the Board to the maps and information that were provided by the staff. A larger map of the critical areas was provided to identify the individual lots. A smaller map was also provided to show the relationship between the large lots and the existing mapped critical areas inventory. He noted that the mapped inventory is neither complete nor completely accurate, but it is the best information that is available. It is obvious that there are some changes in the single-family residential designations and zoning that will have to be made. He noted, that on the large map, all of the lots that are colored represent RS-12, RS-20 and RSW-12 zoning. All of these lots, on their face, do not allow a density of at least four units per acre. The darker shaded lots are smaller than 12,000 square feet right now. He noted that about 1/3 of them exceed the sub-dividable limit and another 1/3 exceed the minimum lot size required. Many of the lots are smaller than the zoning size would require and many are sub-dividable.

Mr. Chave reviewed the various critical areas that are identified on the maps near the properties with large lot zoning. The staff's intent is to place all of the critical areas on a single map. The Board should focus on where the critical areas and large lots are located. Staff reviewed how the existing lot patterns compare to where the critical areas are located to identify some areas for discussion as to whether or not changes in the zoning and Comprehensive Plan should be considered.

Mr. Chave referred to Area 1 on the map, which is east of the ridgeline and south of South County Park. He pointed out that there are not a lot of critical areas present, yet much of the area is designated as RS-12. The same is true for Area 5. He suggested that it would make sense to re-designate these properties due to the lack of critical areas. He noted that these areas include a number of lots that are already less than 12,000 square feet in size.

Mr. Chave referred to Area 2 and explained that it is located in the northeastern portion of the City near Southwest County Park. On this property there is a pretty strong area of slope with a pattern of northwest and southeast streams that parallel each other with some associated wetland areas around the park and streams. Areas 3 and 4 are also located in the vicinity of mapped critical areas.

Mr. Chave explained that Area 6 was specifically left as a large-lot designation because of poor access. SR-104 is a limited access highway in the vicinity. However, it could be argued that there are many other similar areas along SR-104 that have been zoned to a higher density and design policies or controls have mitigated any possible road impacts.

Mr. Chave again pointed out that while the critical areas mapping is based on best available science information, it is not completely accurate. It is very likely that some critical areas were not included and that there are more critical areas in the City than are currently shown. If this is the case, he questioned the idea of changing the plan and zoning designations near the borders of known critical areas since they may be more extensive than currently known. If the Board wants to be more cautious, they could wait to make changes on Areas 2, 3 and 4 until after the LIDAR information is available to provide a more exact mapping of the slopes, depressions and streams, etc. It might be prudent to change the more obvious areas (Areas 1 and 5) now since they are not located near critical areas. Those that are located around critical areas could be reviewed again next year when more accurate information is available. Since areas 2, 3 and 4 are located near critical areas, the City could make the case that more detailed information is necessary before making a change.

Mr. Chave said that the staff does not recommend a zoning change for the small areas between the streams and other wetlands because staff feels there is some logic to having some type of pattern of large lot zoning between these critical areas to link them together. The large lot zoning could be used to protect tree cover and habitat. He referred to the Talbot Area, which lies between the slope and marine environment to the northwest and the Southwest County Park. In this area there is a large band of large lot zoning, and it makes sense from one standpoint to continue this zoning to connect the two critical areas together. He said it does not make sense to break it up with small lot zoning that would cause the existing tree cover to potentially be removed.

Mr. Chave referred to Area 6 and noted that this area was considered as part of the Westgate Corridor study. It has remained as RS-12 zoning because of the access problems. There are no critical areas identified in the vicinity that would warrant the

**APPROVED**

large lot zoning. The Westgate Corridor Study indicates that there is insufficient access to support a more intense use of the property. However, the Board could choose to change the zoning and then rely on the development regulations to mitigate the possible road impacts. Another option would be limit the density through large lot zoning, which would put a cap on the potential problems for traffic. If the Board doesn't feel strongly one way or another, they could contact the Department of Transportation to find out if anything has changed that would warrant a re-designation. However, he does not know of any significant change in circumstances related to this area.

Board Member Henderson inquired if the Growth Management Act would allow the zoning to remain as RS-12 in the areas identified. He noted that the Growth Management Act requires a minimum zoning of four lots per acre. Mr. Chave said the Growth Management Act requires an urban density of four units per acre unless there are good, sound, scientific reasons why a City cannot meet the requirement. One sound reason would be protect the critical areas. Another would be if the City did not have the capacity or capital facilities to support a higher density. In the case of Area 6, staff believes that the access and road configuration are so unique that the higher density would not be warranted. Board Member Henderson said it would make more sense to change the Comprehensive Plan designation for Area 6 and then let the development code govern future development to require adequate access.

Mr. Chave questioned what overall approach the Board would like to take to address this issue, particularly related to the six areas. He suggested that Area 1 is straight forward because no critical areas are present. Areas 2, 3 and 4 are more open to question because they are close or among critical areas. The Board could make a change in designation at this time, but the more detailed information could show that the large lot zoning is warranted.

Board Member Works noted that since a public hearing would be required for changes of this type and anyone living in the area would be notified and invited to attend, the City must have a strong justification to support any proposed zoning changes. Chair Young pointed out that there is nothing in the Growth Management Act that would compel the City to make sweeping changes at this time. The Growth Management Act emphasizes best available science, and the City has a lot of critical areas information that supports the large lots where they are located. Mr. Chave agreed to a large extent, but he said that is not true for Areas 1 and 5.

Board Member Crim said that since there are already a number of small lots in Area 1 it would make sense to at least try to change the designation since there are no critical areas in the vicinity. Mr. Chave agreed that Area 1 is obviously in need of a zoning change. He suggested that these lots could be rezoned to RS-8, which is the City's next density down. Or if they want to be the most conservative, they could create a new zoning classification of RS-10, which is just under the four units per acre requirement of the Growth Management Act. He advised that an RS-8 zoning would potentially afford some opportunity for combining lots in some locations, but in most cases, RS-8 and RS-10 zoning would not make a lot of difference. RS-10 zoning would give the most assurance to the property owners of keeping the historical development pattern fairly consistent.

Chair Young inquired if the City is under a mandate to make these changes now. Mr. Chave answered affirmatively. He explained that he originally suspected there would be more areas the City would have to consider for changes, but the critical areas are so prevalent throughout the City that they end up coinciding with where the large lot zoning is located. However, it is important for the City to supply information that supports the large lot zoning. Mr. Chave said it is important for the City to balance between the critical areas and their natural preservation and the need to provide urban density and infill development where appropriate.

Board Member Crim inquired how difficult it would be for the City to create a new zoning designation of RS-10. Mr. Chave answered that this would not be difficult to do. The only difference between an RS-10 and an RS-8 zoning designation would be the bulk standards. Board Member Crim said he believes that going from an RS-12 to an RS-10 zoning designation would be more palatable for the property owners. Mr. Chave agreed, and added that this change would maximize the chance that future development would be compatible with the neighborhoods. The Board agreed that a density change to RS-10 would be most appropriate for Area 1.

**APPROVED**

Board Member Crim inquired if Area 6 could be designated as a master plan area. This would put the responsibility on the part of the developer to work out the access problems. Board Member Cassutt felt this would be a good idea. If a developer could come up with a scheme for better access to the site, then additional density could be offered. The Board agreed.

Mr. Chave pointed out that Area 5 is surrounded by RS-8 zoning, and a number of the properties located in the area are already developed as substantially less than RS-12. The Board agreed that an RS-8 zoning would be appropriate for Area 5.

Board Member Henderson referred to Mr. Chave's comment that creating a new RS-10 zone for Area 1 would not require a significant change in the pattern of uses. He suggested that this is totally against the purpose of the Growth Management Act goal. Mr. Chave said that RS-10 zoning would be the closest to the existing zoning, but would still meet the Growth Management Act minimum lot size requirement. Board Member Henderson said this appears to create a zoning change to support the historic development pattern. While this would meet the letter of the law, he questioned if it would meet the intent of the law. Board Member Crim pointed out that any future development would have to meet the RS-10 zoning requirements, which allows four units per acre. However, RS-10 would be more similar to the existing RS-12 zoning pattern than would RS-8.

Board Member Works inquired if property taxes would be increased if a lot were to become subdividable when a re-designation and rezone are approved. Mr. Chave answered that, generally, this would be accounted for in the value of the land. Board Member Guenther said this would be less likely to occur if the zoning is changed to RS-10 instead of RS-8. Mr. Chave explained that if a home is situated in the middle of the property, the property owner might be able to make a case that they cannot subdivide because of where the home is located on the site. These situations would be determined on a case-by-case basis.

The Board agreed to move forward with proposed changes to Areas 1, 5 and 6. They agreed that Area 1 should be changed to RS-10, Area 5 to RS-8 and Area 6 should be master planned. They also agreed to wait to make changes to Areas 2, 3 and 4 until more detailed mapping information is available.

Board Member Crim pointed out that a zoning change in Area 5 to RS-8 would be consistent with the zoning that exists on the surrounding properties. Mr. Chave agreed that it is important for the Board to consider the zoning patterns in the areas surrounding Areas 1, 5 and 6. They should also look at what the actual lot sizes in the areas are now. He said staff would make a recommendation for the Board's consideration at the next meeting so that a public hearing could be scheduled.

Mr. Chave suggested that perhaps the Board should move forward with the Comprehensive Plan changes for Areas 1, 5 and 6 now, but wait until 2005 to make the actual zoning changes. The areas could be identified as small lot zoning rather than large lot zoning, and then RS-10 could be identified as a new type of zoning in the small lot land use classification.

Chair Young suggested that the Board should indicate at the public hearing that the reasons for recommending an amendment to the Comprehensive Plan are based on the critical areas that exist and the Growth Management Act mandate. He said it is important to establish the premise for making the zoning change in the Comprehensive Plan first. Then they would have a scientific basis to make a zoning recommendation.

Mr. Chave said the Board can change the Comprehensive Plan now and follow up with a zoning change next year, or they can bundle the two actions together. However, the Board needs to consider their time limitations in getting the Comprehensive Plan review done by the end of the year. Adding the zoning change would be another level of detail to an already busy schedule. Board Member Cassutt suggested that the Board do the Comprehensive Plan change now and then consider the zoning next year. Mr. Chave said that if this is the direction the Board wants to go, they should make it clear that the intent is to follow up immediately with an appropriate zoning change.

Board Member Henderson expressed concern about the RS-12 and RS-20 zones that are not included in any of the six areas identified by staff. He questioned why these lots are not being considered for RS-10 zoning. Mr. Chave said these other properties are located close to critical areas. The additional areas that could be rezoned to RS-8 and RS-10 would probably only comprise a few lots which begs the question of whether the linkage of habitat between two critical areas is more valuable than making small lot zoning. The Board agreed that protection of habitat between critical areas is important.

Board Member Henderson inquired why the boundaries for the various areas were drawn where they were rather than extending them to include all of the large lot developments. Mr. Chave said staff tried to follow street and neighborhood boundaries and stay away from critical areas as much as possible. However, he said he is open to other boundary lines that the Board feels are appropriate. He said staff tried to leave at least one tier of lots between the boundary and the critical areas. Everything that is currently zoned RS-12 was included in the boundaries for Areas 5 and 6. The only area where boundaries were an issue would be Area 1. If the Board wants different boundaries, they need to identify them as soon as possible. Mr. Chave said at the next meeting the Board could review a close up map of Area 1 and make a better judgment on what the boundaries should be.

Board Member Henderson said he would like the maps that are provided at the next meeting to include street identifiers to help the Board members orient themselves with the location of the areas. Mr. Chave said he would also provide a summary of the changes that have occurred to the critical areas ordinance at the Board's next meeting.

### **REVIEW OF EXTENDED AGENDA**

Mr. Chave said the main topic of discussion for the next meeting would be the Downtown/Waterfront Plan, and the Draft Economic Analysis for the downtown should be available, as well. Also on September 22<sup>nd</sup> staff would provide information on the project at the former Unocal site. The Board would also discuss critical areas and lot sizes.

Mr. Chave said that perhaps a better term for the large lot zoning designations would be Sensitive Area Single Family Residential. This would clearly point out the purpose of the large lot zones. Chair Young felt this would be a good idea, and he suggested that the smaller residential zones should be identified as urban zones of different densities. Board Member Crim expressed his concern that using the terms large and small lot zones could be problematic. He urged the Board to stay away from using these terms to classify different zone sizes. The remainder of the Board agreed.

Board Member Henderson pointed out that identifying the RS-12 and RS-20 zones as critical area lot sizes could be a problem. If he owned a lot that was designated as a critical areas lot size, but it didn't have any critical areas nearby, he would object to this designation. Mr. Chave suggested that the Board think about a better terminology.

Mr. Chave advised that a special meeting has been scheduled for October 6<sup>th</sup> for a public hearing on the critical areas ordinance. This special meeting would also provide the Board with an opportunity to hold a follow up discussion on the Downtown Economic Analysis and how it relates to the Downtown/Waterfront Plan.

### **ADMINISTRATIVE REPORTS**

Mr. Chave reported that the City Council recently considered the Planning Board's recommendation for the property located at Fifth and Walnut and other properties in the downtown. Mr. Gregg had asked for an amendment that would allow residential units to be located on the bottom floor in a mixed-use zone if the property backs up directly against a residential zone and at least 90 feet of commercial space is provided in the front of the building. The City Council overturned the Board's recommendation and approved the amendment 4-2. He recalled that the Board was generally interested in the concept, but felt it would be inappropriate to approve the amendment before the Comprehensive Plan is updated.

### **PLANNING BOARD CHAIR COMMENTS**

Chair Young provided no additional comments during this portion of the meeting.

### **PLANNING BOARD MEMBER COMMENTS**

**APPROVED**

None of the Board members provided comments during this portion of the meeting.

THE MEETING WAS ADJOURNED AT 9:53 P.M.

**APPROVED**