



TECHNICAL COMMITTEE REPORT

To: Planning Commission

From: Technical Committee

Staff Contacts:

Rob Odle, Planning Director
425-556-2417

Lori Peckol, AICP, Policy Planning Manager
425-556-2411

Jeff Churchill, AICP, Transportation Strategic Advisor
425-556-2492

Kimberly Dietz, Senior Planner
425-556-2415

Judy Fani, Senior Planner
425-556-2406

Sarah Stiteler, AICP, Senior Planner
425-556-2469

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Project File Number: LAND-2016-02061

Project Name: Marymoor Subarea Comprehensive Plan and Zoning Code Amendments including Local Center Designation

Related File Numbers: SEPA-2016-02062

Applicant: City of Redmond

Applicant's Representative: Same as staff contacts

Reason for Proposal

Adoption:

The proposal should be adopted because:

- It is consistent with the 2014 Southeast Redmond Neighborhood Plan and Resolution 1415 adopted concurrently with the Plan
- It implements the recommendations of the South Marymoor Subarea Committee
- It supports extension of light rail to the Marymoor Subarea and Downtown through the land use approach and planned infrastructure improvements
- It provides for additional housing at greater levels of affordability through land use requirements combined with the opportunity to use the Multifamily Tax Exemption program
- A Marymoor area local center designation reinforces and is consistent with the long-term vision and plan for the Marymoor Subarea and supports a primary goal of the region's vision – accommodating planned growth and making efficient use of infrastructure investments.

I. APPLICANT PROPOSAL

The City of Redmond proposes to update portions of the Redmond Comprehensive Plan concerning the Marymoor Subarea, adopt implementing zoning regulations, and designate a local center.

BACKGROUND AND REASON FOR PROPOSAL:

Relationship to Southeast Redmond Neighborhood Plan Update

The City Council adopted a major update to the Southeast Redmond Neighborhood Plan in October 2014. The Marymoor Subarea is part of the Southeast Redmond Neighborhood and is bounded by Marymoor Park, SR 520, and the East Lake Sammamish Trail. The vision for the Subarea, as set out in the Plan, is to transition over time to be a walkable, denser subarea that features opportunities for living, employment, community gathering, education, shopping and commuting to other Redmond and regional destinations.

- Section 4 set a deadline of January 1, 2018 for Council action on the above work.

This report describes recommended plan and code updates consistent with the Southeast Redmond Neighborhood Plan and Resolution 1415.

South Marymoor Subarea Committee Process

The City Council appointed the 11-member South Marymoor Subarea Committee in March 2015. Committee members have a variety of personal and professional backgrounds, and represented the groups identified in Resolution 1415, including business owners, a commercial property broker and a Southeast Redmond Citizen Advisory Committee member. Two members resigned during the time that the Committee met. Between March 2015 and November 2016 the Committee met 16 times.

The Committee began its work by organizing itself, agreeing to operating rules and adopting a set of principles. It then studied several different alternative land use transition strategies and evaluated those strategies against the Committee's principles, both of which are included with the South Marymoor Committee Report, which was distributed separately and available online at www.redmond.gov/seredmond. Late in 2015 the Committee identified a preliminary preferred transition strategy and obtained input on the strategy at a neighborhood workshop in January 2016. The Committee then identified a preferred transition strategy and reviewed draft zoning regulations to see how the strategy could be implemented in the zoning code. Last, the Committee formally recommended the "Marymoor Expanded Use Zone" to the Technical Committee and Planning Commission in November 2016.

Marymoor Subarea Infrastructure Planning Study

The Marymoor Subarea Infrastructure Planning Study is an action item from the 2014 Southeast Redmond Neighborhood Plan and is called-for in the Transportation Master Plan (TMP) Three-year Action Plan. The purpose of this study is to support the vision for the subarea by creating an infrastructure plan that includes the types, conceptual design for, and conceptual locations of transportation, water/sewer, stormwater and park and trail infrastructure needed to serve future growth.

Staff convened a stakeholder group to provide input on the plan as it was developed and held two open houses (October 2015 and January 2016) and hosted an online questionnaire to gain input from the neighborhood and others in the community.

When finalized, the infrastructure plan is intended to provide clear guidance to City staff and property owners and developers as the City processes redevelopment applications and makes capital investment decisions. Portions of

the plan are proposed to be incorporated into the Transportation Master Plan, Water System Plan, General Sewer Plan, and Redmond Zoning Code.

Local Center Designation

Locally-designated centers are activity nodes where employment, services and housing are accommodated in a compact and moderately dense form to make efficient use of urban land and support multimodal access. Redmond's Comprehensive Plan docket includes the topic of whether a portion of Southeast Redmond or the Willows Corridor should be designated as a local center. Local centers are not regionally designated and neither VISION 2040 nor the King County's Countywide Planning Policies (KCCWPP) at this time contain formal criteria that define a potential local growth center. Nonetheless, KCCWPP supports locally designated local centers and suggests some characteristics of local centers to use as guidance. KCCWPP Policy DP-38 states that local centers be identified in comprehensive plans.

II. RECOMMENDATION

The Technical Committee recommends adopting updated policies and regulations for the Marymoor Subarea as shown in Exhibits A, B, and C. Key elements of the updates include:

- Policies, including for local centers
 - Integrating the preferred land use transition strategy and related land use and zoning concepts into the neighborhood plan
 - Integrating infrastructure plan elements into the Comprehensive Plan and functional plans adopted by reference
 - Establishing the concept of Local Centers in the Comprehensive Plan and designating the Marymoor area as a Local Center
 - Deleting policies that are out of date with the completion of the land use transition strategy and infrastructure planning work
- Zoning regulations
 - Establishing Marymoor Design District zones for the Marymoor Subarea, all of which increase allowed density and all-but-one of which allow mixed-use, transit-oriented development, and adopting complementary urban design standards
 - Adopting affordable housing regulations in conjunction with the proposed rezone and proposed multifamily tax exemption provisions in the Redmond Municipal Code
 - Permitting alternative compliance with tree preservation regulations to focus on long-term canopy goals
- Functional plan amendments: adding identified infrastructure needs to support future growth to the Transportation Master Plan, General Sewer Plan and Water System Plan.

III. PRIMARY ISSUES CONSIDERED

A. ISSUES CONSIDERED AND ALTERNATIVES

This section of the report describes key recommended amendments to the Comprehensive Plan and Zoning Code and alternatives that were considered for each. The policy framework for the Marymoor Subarea was adopted in October 2014 with the Southeast Redmond Neighborhood Plan. Therefore, the issues and alternatives considered were limited to those that are consistent with the adopted neighborhood plan.

Land Use Concepts

Staff prepared two land use concepts for neighborhood input. One focused most housing south of NE 65th St and most non-residential development north of NE 65th St. The other allowed for a mix of uses over a larger part of the subarea, while still retaining some land exclusively for non-residential uses and requiring a minimum amount of residential development as part of new development in most of the subarea. Both concepts would have been consistent with neighborhood plan policies calling for focusing residential growth near Marymoor Park and allowing mixed-use development near the future light rail station.

Those who provided input favored the concept that allowed a mix of uses over a larger area. Among the reasons were:

- A mix of uses would be a more desirable land use pattern;
- Concern that concentrating most housing south of NE 65th St would limit future housing potential; and,
- It would provide opportunities for more housing closer to the light rail station.

Land Use Transition Strategies

The South Marymoor Subarea Committee reviewed case studies of places where land use transition has occurred or is in progress including at Battery Park City and Roosevelt Island in New York City, the Pearl District in Portland, and South Lake Union. These were identified based on similarity to the existing conditions and vision for the Marymoor Subarea. Committee members broadened their study of transition by researching the Central Issaquah Plan and the Shoreline 185th Street Station Subarea Plan. With the case studies providing a tangible basis for transition implementation, the Committee analyzed aspects of several land use transition strategies in the context of their adopted principles and Resolution 1415: Performance Zoning, Transition Zoning, Phased Transition, Buffer Zones, and Overlay Districts. The Committee's report includes the Committee's ranking and rationale regarding each transition strategy.

By developing transition factors and concepts of subarea transition, the Committee determined that the Overlay District was its preliminary preferred strategy. In addition to allowed uses based on zoning designation, the transition factors and concepts described in the Committee's report, included thresholds, timing, incentives, and compatibility measured again in relationship to the Committee's principles and Resolution 1415.

The Committee ultimately recommended the Marymoor Expanded Use Zone as its preferred land use transition strategy. This strategy would allow for additional uses to accompany the uses currently allowed in the Manufacturing Park zone. Therefore the proposed zoning regulations expand the list of allowed uses, supporting a market-based transition, and allowing for the continued operation and re-leasing of properties. With support from property and business owners and representatives in other portions of the Marymoor Subarea, the Committee also recommended supporting the transition strategy throughout the entire subarea.

Affordable Housing

The Marymoor Subarea is unique within the Southeast Redmond Neighborhood as an area in which land uses are expected to transition to include more residential use over time. An area wide rezone from Manufacturing Park to mixed use zones that allow residential use at higher densities is proposed to support this. This increase in residential capacity together with proposed use of Multi Family Tax Exemption provide an opportunity to create a greater level and potentially quantity of affordable housing, especially as the area will serve as a transportation crossroads with a light rail station targeted to open in 2024.

The Multifamily Tax Exemption Program (MFTE) was enacted by the state legislature over 20 years ago. It grants authority to cities to allow property tax exemptions on the improvement value of the residential portion of new projects within mixed use areas for a certain period of time, with the provision that the required public benefits of the exemption should be relative to the value of the tax benefits received. Recent changes to the law greatly encourage the use of MFTE for affordable housing. Several cities in the area have adopted this program. Redmond has not adopted this, however City Council has expressed interest and consideration of MFTE is on Council's work program for the first half of 2017.

MFTE is primarily a tax provision and it is located in a municipal code rather than zoning code. For more information about the MFTE program,

duration of the tax exemption and recommended affordability levels, see Exhibit D.

These two elements – 1) proposed significant increase in residential capacity associated with a rezone from Manufacturing Park to Marymoor Design District zones, and 2) proposed use of a MFTE program – are central to the recommended affordability requirement.

In summary, the Technical Committee recommends that for MDD Zones 1, 2 and 5, the Zoning Code require a minimum of 10 percent of new rental units affordable to residents with household incomes of up to 50 percent of the area median income (AMI) and that the MFTE program be available to projects in this area. This affordability level and amount would correspond to the opportunity for an eight-year property tax exemption. As part of the MFTE program, developers may request a 12-year tax exemption and would be required to provide a minimum of 20 percent of the total units as affordable per state law.

The primary benefit of linking the affordable housing land use requirement with the use of MFTE is that affordability levels for new residential rental dwellings would be substantially greater than what could be achieved with land use requirements alone. For example, for a one-bedroom apartment for a two-person household, it would translate to a maximum monthly rent of \$784 at 50 percent AMI compared to \$1,145 at 70 percent AMI as of 2016. The property tax exemption on the value of the new residential improvements provides the means for developers to realize tax savings. While the exemption would end after either eight or 12 years, the affordability level established with the units would remain for the life of the project, consistent with existing regulations.

Staff also considered an alternative of not linking the affordable housing land use requirement with MFTE for affordable housing. This alternative would involve 10 percent of the total new rental units affordable to residents with household incomes of 70 percent or less AMI. For 2016, this equates to rent of \$1,145 per month and a household income of \$50,568 for a household of two. While this is more affordable than Redmond's current requirement in much of the City of affordable at 80 percent of AMI, housing at 70 percent AMI is still not affordable for many. Approximately 32 percent of the jobs in Redmond pay \$50,000 or less per year. Further it would decrease the opportunities to obtain housing at levels of affordability not readily available and within walking distance of light rail.

Infrastructure Concepts

Transportation. Staff and stakeholders considered several transportation network concepts early in the infrastructure planning study. Each concept represented a different way to achieve project principles, which included: supporting the vision, prioritizing pedestrian and bicyclist safety and comfort, connecting people to light rail, and connecting people throughout the subarea, to Marymoor Park, and other parts of Redmond.

Key discussion points during development of the transportation network are summarized in the table below.

Discussion Point	Resolution in Recommended Network
Location of main circulating streets relative to Marymoor Park	No street on park edge due to likely cost, property impacts, and desire to visually bring park into the subarea. Instead, several Type 3 streets (shared streets) terminate at a planned perimeter trail.
Timing of construction of infrastructure	Timing will be dependent on redevelopment.
Infrastructure cost and property impacts	Earlier cross sections were narrowed to reduce property impact and cost.
Congestion on surrounding arterials	City will undertake a second phase of this work to specifically address surrounding arterials and explore solutions to improve mobility.
Connecting people to Marymoor Park	Perimeter trail provides access to Marymoor Park and several Type 3 streets create visual corridor and access corridor to park.
Location of future park & ride	Preferred location avoids queueing on arterial, can support potential non-transit uses subject to agreement with Sound Transit (Marymoor Park events, e.g.), and is located to minimize impact to urban design.

Staff also considered the transportation infrastructure in light of access to the future light rail station. For purposes of this effort the light rail station platform locations were assumed to be as indicated in the 2011 Record of Decision for East Link, and that they would be either at-grade or elevated. The following elements of the transportation infrastructure are intended to maximize multimodal access to the light rail station:

- Bus transit stops adjacent to the light rail station
- Non-motorized pathways connecting the light rail station to the East Lake Sammamish Trail to the east and Marymoor Park to the west

- Protected bicycle facilities on all Type 1 streets, including NE 70th St adjacent to the station
- Sidewalks on all Type 1 and Type 2 streets
- Locating the transit parking structure one block from the station with station access via sidewalk or non-motorized path

Sound Transit began the preliminary design phase of the extension to Southeast Redmond and Downtown Redmond in December 2016 and that work, which will produce more detailed station designs, will continue for about 18 months.

Stormwater. The Marymoor Subarea relies heavily on infiltration as a stormwater management strategy today. This is because there is no public stormwater conveyance system in the subarea, the soils are very favorable for infiltration, and the area sits in a low area with no natural outfall. For all of those reasons the Technical Committee-recommended strategy going forward is to continue to rely on infiltration. Infiltration has the additional benefit of recharging the aquifer on which Redmond relies for large portion of its drinking water.

Water and Sewer. Access to drinking water and sanitary sewer are basic requirements for continued development of the Marymoor Subarea. Both systems will be located under current and future streets. The recommended sewer network will ultimately require the construction of an already-planned pump station on the Lake Washington Institute of Technology campus. The City previously acquired property rights to build that pump station. It is anticipated that developers will extend utilities to redeveloped properties as redevelopment occurs.

Parks and Trails. The Technical Committee-recommended transportation plan includes a subarea perimeter trail to provide access to Marymoor Park, and a trail from the park to the future light rail station and the East Lake Sammamish Trail. The plan also envisions the future extension of the East Lake Sammamish Trail across SR 520 to connect to the Redmond Central Connector.

Although the subarea is adjacent to a 600-acre regional park, staff recommends incentivizing the provision of smaller neighborhood-focused parks or plazas as part of the zoning for the area. Such parks or plazas could serve as neighborhood gathering places and provide visual relief from urban development.

Tree Retention Alternatives

Staff considered two tree retention and replacement alternatives: maintaining existing regulations, and adopting a canopy-based approach.

In general, existing regulations require new developments to retain 35 percent of significant trees (those six inches or greater in diameter at breast height (d.b.h.)) and replace significant trees that are removed at a 1-to-1 ratio. Landmark trees (those over 30 inches d.b.h.) may not be removed without an approved exception request.

An important policy concept in the Southeast Redmond Neighborhood Plan is working within the natural constraints of the land and connecting the neighborhood to the natural environment. One way this is proposed to be accomplished in the Marymoor Subarea is by continuing to infiltrate stormwater as described above. Another way to achieve this is to focus tree preservation regulations on increasing tree canopy in the subarea. Tree canopy provides benefits such as improving surface water and groundwater quality, maintaining and enhancing the quality of the visual environment, and improving habitat value.

Staff explored revising tree preservation regulations for the Marymoor Subarea to focus on canopy instead of the number of trees removed and replaced. The proposal would require tree plantings on redeveloped sites to achieve 15 percent on-site canopy coverage within 10 years using a mix of slow-, medium- and fast-growing species, and using a mix of evergreen and deciduous trees. Regulations would provide guidance on planting trees for long life and good health. Together with canopy-forming trees in the right-of-way, staff estimates that total canopy coverage in the long term would increase from 11 percent today to about 25 percent. For reference the canopy coverage in Downtown is about 20 percent.

The Technical Committee recommends a canopy target of 15 percent on private property and 25 percent overall because such a target will advance the policy objectives noted above and will provide for both shade and sun on private property. The Technical Committee considered both lower and higher targets. An 8-percent on-site target would not yield the same magnitude of environmental benefit while a 20-percent target (or more) would begin to significantly reduce flexibility in site design when other factors like buildings and access are considered.

The proposal would not eliminate the requirement to retain 35 percent of significant trees, and would continue to protect landmark trees. The proposal would allow the same exceptions to the 35 percent retention rule that are allowed in the urban centers today.

Local Centers Alternatives

One of topics on the docket is to consider whether a portion of Southeast Redmond, Willows Corridor, or both should be designated as a local center. A local center is less dense than an urban center yet has some of

the same existing and/or planned characteristics, such as a mix of land uses and transit supportive densities and design at a scale appropriate to a local centers context.

Staff evaluated whether one or more of three areas – Marymoor and two portions of the Willows Corridor – are appropriate candidates for local center designation. Designation of local centers is a local jurisdiction decision. There are no regional or countywide established criteria and process for designating a local center. Staff selected characteristics such as: geographic size and shape, and existing and planned policies that support compact form and density; existing and planned population, housing units, employment, access to transit, opportunity for development of a complete street grid; as well as concentrations of services and amenities. This list reflects staff’s review of planning and policy documents from several jurisdictions including PSRC, Pierce County, King County, KC Metro and Sound Transit. Based on this research, staff developed criteria to evaluate each of these three geographic areas. Staff’s observations and recommendation are below:

- Marymoor. The Marymoor area has several characteristics that are consistent with the local center criteria. The adopted policies and recommended zoning call for a mix of uses, including residences, jobs and other services, and increased density. It is a compact size and uniform shape which together with the planned block size and parcel size support denser and efficient land use. The Technical Committee’s recommended amendments call for improvements to the existing partial street grid over time to provide a more complete grid of public streets and pathways. In addition, the area’s planned development pattern and infrastructure support extension of light rail transit service which will begin operation in 2024. Marymoor is planned for significant residential and employment growth over time, consistent with adopted policies for this area. For these reasons, the Technical Committee recommends Marymoor for local center designation.
- Willows Scenarios. Aside from the strong employment focus, neither of the two Willows Corridor scenarios under existing or planned conditions have the characteristics of a local center in any significant way. This is due to no planned population growth; a low rate of planned employment growth; little opportunity for complete street grid development due to the 2.7 mile elongated shape of the Willows corridor intersected by short street stubs terminating in business and manufacturing parks; minimal bus service and no planned extension for light rail to serve these areas. Due to the lack of an existing or planned local center focus or policy support that

encourages a compact, mixed-use urban form, the Technical Committee does not recommend local center designation for either of these areas. If one or both were designated as a local center, the area(s) would represent a vision that is “out of focus” due to the lack of policies to support focused growth.

- No change. Without local center designation the likely result is that Marymoor would be less competitive for certain regional transportation and other grant funding opportunities as long as these funding programs continue to provide for some additional points for local centers.

B. COMPARISON WITH OTHER COMMUNITIES, APPROACHES (as applicable)

Land Use Transition Strategy

The South Marymoor Subarea Committee favored several aspects of the Central Issaquah Plan. At the Committee’s October 27, 2015 meeting, staff from the Issaquah Depts. of Development Services and Economic Development presented the Plan’s background, current conditions, lessons learned, and recommendations. Ryan Kohlmann, Project Planner with Triad, also presented an analysis of the relevance of the Central Plan in relationship to the Marymoor Subarea. Mr. Kohlmann had been retained by some members of the Committee to analyze and provide additional perspective to strategy and other subarea information presented by staff.

Committee members particularly noted their interest in the Central Issaquah Plan allowing for the continued operation of existing uses and expansion of those uses. Thresholds and incentives, provided for in the Plan, were also important to Committee members as they allowed for a market-based approach that maintained consistency with design standards and other performance-based codes.

Expanding on the incentives provided for in the Central Issaquah Plan, the South Marymoor Subarea Committee expressed interest in the Multi-Family Tax Exemption program in the Shoreline 185th Street Station Subarea Plan. The Shoreline Plan allows the first 300 multi-family dwelling units within the 185th Street Station subarea to use an eight-year property tax exemption. In the subarea’s MUR-70 zone for example, twenty percent of the units are required to be affordable to households earning less than 60 percent AMI.

Local Center Designation

Local centers are not regionally designated and neither VISION 2040 nor the King County's Countywide Planning Policies (KCCWPP) contains formal criteria that clearly define a potential local growth center. There are no designated local centers in King or Snohomish Counties at this time although the City of Bellevue had considered the possibility of designating areas within their jurisdiction as local centers. Kitsap and Pierce counties have designated local centers based on their own selection criteria.

IV. SUPPORTING ANALYSIS

A. EXISTING CONDITIONS

Built Environment

The Marymoor Subarea consists largely of low-rise manufacturing and light industrial buildings with several buildings incorporating loading/unloading bays for tractor-trailers. Some buildings have been converted to other uses, such as religious facilities, food and beverage sales, child care facilities and gyms. The subarea is also home to the Redmond campus of the Lake Washington Institute of Technology.

The subarea is accessed via NE 65th St and NE 70th St, and also is a route by which people access and exit Marymoor Park. Some street segments in the subarea lack sidewalks, and bicycle facilities only exist on NE 65th St. Most stormwater in the subarea infiltrates into the ground, and the subarea is served by the City sewer and water utility.

Policies

Comprehensive Plan policies for the Marymoor Subarea were comprehensively updated in 2014 as part of a major update to the Southeast Redmond Neighborhood Plan. The policies are oriented toward a vision statement that reads as follows: *The [Marymoor Subarea] vision is for a walkable, denser subarea that features opportunities for living, employment, community gathering, education, shopping, and commuting to other Redmond and central Puget Sound destinations.*

Policies emphasize planning – including infrastructure planning – for housing and employment growth, developing a land use transition strategy, supporting the extension of light rail, and taking advantage of Marymoor Park as an amenity.

Zoning Regulations

Most of the Marymoor Subarea is zoned Manufacturing Park (MP). A small portion is zoned Marymoor Design District 3 and a developer has submitted

plans for multifamily housing for that site. Current zoning regulations are inconsistent with neighborhood plan policies. Zoning regulations to implement the neighborhood plan were proposed in 2014 and put on hold until infrastructure planning and land use transition strategy work was completed.

Functional Plans

Existing functional plans align with current zoning regulations and do not assume a significant change in land use over time.

B. COMPLIANCE WITH CRITERIA FOR PLAN AMENDMENTS

Redmond Comprehensive Plan Policies PI-16 and LU-26 direct the City to take several considerations, as applicable, into account as part of decisions on proposed amendments to the Comprehensive Plan.

Items 1 through 6 apply to all proposed amendments. Items 7 through 9 apply when proposed amendments concern allowed land uses or densities, such as proposed amendments to the Land Use Plan Map, land use designations, allowed land uses, or zoning map.

The following is an analysis of how this proposal complies with the requirements for amendments.

1. Consistency with Growth Management Act (GMA), State of Washington Department of Commerce Procedural Criteria, VISION 2040 or its successor, and the King County Countywide Planning Policies.

The proposal takes into account direction by the GMA, the Department of Commerce, VISION 2040, and Countywide Planning Policies. GMA's planning goals include encouraging development in urban areas, reducing sprawl, encouraging efficient multimodal transportation systems, providing a variety of housing choices and levels of affordability, encouraging economic development, maintaining and enhancing natural resources and open space, protecting the environment and quality of life, and encouraging community participation in planning processes. These same planning goals are compatible with local center planning.

In addition, the Countywide Planning Policies include a 2030 vision that envisions stewardship of the environment and vibrant and diverse urban communities and locally designated local centers. The State of Washington Department of Commerce and VISION 2040 add coordination of planning efforts across jurisdictional boundaries and agencies including state agencies, and notification procedures regarding intent to adopt amendments to the City's Comprehensive Plan and Zoning

Code. As described below, the proposal is consistent with the GMA, state procedural criteria, VISION 2040 and the King County Countywide Planning Policies.

The proposal accommodates a portion of Redmond's projected housing and jobs growth within King County's urban growth boundary and further recommends designating the Marymoor Subarea as a local center, reflecting its concentration of uses and planned access to transit. The Marymoor local center designation would support efficient use of urban land and services, increased access to services and housing choices, and transportation choices.

The proposal calls for significant infrastructure improvements to support urban growth, including a multimodal transportation network that provides access to light rail, stormwater management that recharges the aquifer, and water and sewer service that protects public health.

Zoning regulations would allow increased density and a wider variety of uses. In tandem with the increase in allowed density, a portion of new housing units would be required to be designated affordable. Concurrently establishing the multifamily tax exemption would allow for greater levels of affordability.

Staff is also providing notice to the Department of Commerce, consistent with the required notification procedures.

2. Consistency with Redmond's Comprehensive Plan, including the following sections as applicable:

a. Consistency with the goals contained in the Goals, Vision and Framework Policy Element.

The proposal promotes: choices and equitable access in housing, transportation, stores and services; maintaining a strong and diverse economy; and providing convenient, safe and environmentally friendly transportation connections. It does this by allowing a wide range of residential and non-residential uses in close proximity to transit, and continuing to allow existing uses to remain and expand.

b. Consistency with the preferred land use pattern as described in the Land Use Element.

The proposal encourages the redevelopment of underutilized properties; supports preservation of land outside the urban growth area; retains and encourages research and development, high technology uses and

manufacturing uses in a portion of the subarea; provides opportunities to meet daily shopping or service needs close to home or work; maintains and enhances an extensive system of parks, trails and open space; and advances sustainable land development and best management practices, multimodal travel and a high-quality natural environment.

c. Consistency with Redmond’s community character objectives as described in the Community Character/Historic Preservation Element or elsewhere in the Comprehensive Plan.

The Community Character and Historic Preservation Element addresses designing public places for people, events and community building, view corridors and gateways, building and site design, streets and pathways, and historic preservation. New structures built under proposed zoning regulations would be subject to the same or similar design standards to which most other new construction is subject. The City would administer its historic preservation program in this subarea as in other parts of the city.

d. Consistency with other sections as applicable including the Natural Environment; Economic Vitality; Transportation; Parks, Arts, Recreation, Culture and Conservation Elements.

Natural Environment. The proposed zoning regulations do not change existing environmental policies and regulations in Redmond. Moreover, the proposed stormwater management strategy would continue to infiltrate stormwater into the ground and benefit nearby streams and the aquifer. Planning for growth around the future light rail station gives people who live and work nearby improves options for traveling other than driving alone.

Economic Vitality. In consultation with the South Marymoor Subarea Committee, the proposed zoning regulations do not create legal nonconforming uses and do not set a specific date by which existing manufacturing and light industrial uses must cease. Instead, the proposal envisions a market-based transition from existing uses to future mixed-use and multifamily uses, with the possibility of such uses coexisting with manufacturing and light industrial uses.

Transportation. Redmond’s transportation policy emphasis is on providing transportation choices and improving mobility for all modes. The proposal supports existing policy by planning for future growth around the Southeast Redmond light rail station so that more people have access to more transportation choices. In addition, the

transportation plan for the subarea improves the walking and bicycling environment along the street and calls for a multiuse trail network that connects to Marymoor Park, the light rail station and the East Lake Sammamish Trail.

Parks, Arts, Recreation, Culture and Conservation. Redmond’s vision for parks and open space is, “[A] system that provides a natural area or recreational opportunity within walking distance of every resident.” The Marymoor Subarea already benefits from adjacency to Marymoor Park and the East Lake Sammamish Trail. The proposed policy and regulatory amendments would establish incentives for two additional neighborhood-scale parks and plazas, and include plans for a subarea perimeter trail that improves connections to Marymoor Park, the East Lake Sammamish Trail and the future light rail station, in addition to being an amenity in its own right. The proposed park and trail improvements in the Marymoor Subarea are also included in the draft PARCC Plan that will be under review by the Planning Commission in December 2016.

3. Potential general impacts to the natural environment, such as impacts to critical areas and other natural resources, including whether development will be directed away from environmentally critical areas and other natural resources.

The proposal does not change citywide policies or regulations that protect the environment. With respect to the environment the proposal focuses on infiltrating stormwater for the benefit of streams and the aquifer.

4. Potential general impacts to the capacity of public facilities and services. For land use related amendments, whether public facilities and services can be provided cost-effectively and adequately at the proposed density/intensity.

The proposal includes adopting an infrastructure plan for streets, stormwater, water and sewer to support planned growth. As part of the infrastructure planning process the City completed planning-level cost estimates for such infrastructure. A significant portion of planned infrastructure would be conditioned on new development in order to support the additional need created by new development.

5. Potential general economic impacts, such as impacts for business, residents, property owners, or City Government.

Business. Changes to land use and zoning can prompt interest in redevelopment. In the Marymoor Subarea redevelopment interest might

negatively affect businesses on properties with a low value in existing use on the assumption that such properties could be the first that owners decide to redevelop and thereby displace existing businesses. Real estate and construction-related businesses may benefit during periods of growth, and businesses that occupy new commercial spaces would benefit from the availability of the space.

Residents. The proposal is unlikely to economically impact Redmond residents. There are no current residents in the Marymoor Subarea. The proposed policies and regulations would allow for mixed-use and multifamily development, which would add residents to the subarea. The proposal could help prospective residents by supporting creation of housing at a greater level of affordability.

Property owners. In general the proposal implements a land use transition strategy that allows property owners to continue operating their properties with manufacturing and light industrial uses until they make a decision to do something different with the property. This benefits existing property owners.

City government. Future growth in the subarea will increase the demand for capital improvements and such improvements would have to be prioritized within available funds. As neighborhood densities, activity such as shopping and investment, and development increases, the City could see associated increase in tax receipts thus helping to fund increased demand and costs of public improvements.

- 6. For issues that have been considered within the last four annual updates, whether there has been a change in circumstances that makes the proposed amendment appropriate or whether the amendment is needed to remedy a mistake.**

The City Council decided to defer action on regulations to implement the 2014 Southeast Redmond Neighborhood Plan until the planning processes outlined in Resolution 1415 were completed.

The following items apply when proposed amendments concern allowed land uses or densities, such as proposed amendments to the Land Use Plan Map, land use designations, allowed land uses, or zoning map.

- 7. General suitability of the area for the proposed land use or density, taking into account considerations such as adjacent land uses and the surrounding development pattern, and the zoning standards under the potential zoning classifications.**

The proposed zoning regulations would allow the development of a walkable, mixed-use district near the future Southeast Redmond light rail station. All of the development would be infill. The subarea is close to a commercial area to the east along Redmond Way, a self-storage facility to the southeast, Marymoor Park to the south and west, and SR 520 to the north. None of the adjacent uses are incompatible with mixed-use multifamily development. Marymoor Park is likely to see increased use from subarea residents or employees and is large enough to accommodate additional users. In addition, neighborhood-scale parks and plazas are planned in the subarea.

The zoning regulations would allow mid-rise mixed-use buildings that would likely be similar in nature to those developed in Downtown Redmond over the past 20 years. Two key differences are that the height limit would be five stories or less in most of the Marymoor Subarea and that the maximum lot coverage by structures would be less than in Downtown, where it reaches 100 percent in some areas.

- 8. Whether the proposed land use designation, zoning, or uses are compatible with nearby land use designations, zoning or uses. Whether there are opportunities to achieve compatibility with surrounding land uses through design or through separation by topography or buffers.**

While the proposed regulations are compatible with nearby land use designations and zoning, it is the case that manufacturing and light industrial uses will coexist with mixed-use multifamily development for an undetermined amount of time. The proposed zoning regulations address potential compatibility issues in two ways. First, new construction will be subject to design standards that call for screening, orienting multifamily buildings to protect sensitive areas such as bedrooms, and designing on-site open space to minimize light and noise impacts from nearby manufacturing or light industrial uses. Second, the proposed regulations include a required notice to potential property owners or lessees that describe the noise, dust, light and traffic impacts of living near a manufacturing and light industrial area and a regional park with loud events.

- 9. If the amendment proposes a change in allowed uses or densities in an area:**
 - a. The need and demand for the land uses that would be allowed and whether the change would result in the loss of capacity to accommodate other needed land uses, especially whether the**

proposed amendment complies with policy HO-17, the City’s policy of no net loss of housing capacity;

The proposed regulations complete the process of moving housing capacity from the Northeast Subarea of the Southeast Redmond neighborhood, which was done in 2014, to the Marymoor Subarea. The zoning regulations would also allow general sales and services uses to meet demand from new residents and new and existing employees in the subarea. The zoning regulations would continue to allow those uses that are permitted today (with few exceptions), demand for which is evidenced by their presence in the subarea.

b. Implications of the proposed amendment for the balance between the amount and type of employment in Redmond and the amount and type of housing in Redmond.

The zoning regulations adopted in 2014 added about 36 acres of land for jobs in the Northeast Subarea, with a small amount of that space possible for general sales and service uses. The balance was in a variety of other sectors including manufacturing, research and development and communication. This proposal rezones land from Manufacturing Park to Marymoor Design District and allows a mix of uses including multifamily housing. The multifamily housing capacity that was lost in the Northeast Subarea is provided for in the proposed residential floor area limits.

The balance in the type of housing as compared to the pre-2014 land use plan is that there will likely be fewer townhome-style units and more stacked flats, though there continues to be potential for townhomes in the Marymoor Subarea. On the non-residential side, the recommended zoning broadens the allowed uses and thus employment types. Some land that is currently used for manufacturing is likely to in the future be used for both residential and service uses (not manufacturing), while other land may convert to a mix of multifamily and manufacturing.

C. RELATIONSHIP TO PENDING AMENDMENTS IN THE 2016-17 COMPREHENSIVE PLAN AMENDMENT PACKAGE.

In preparing the 2016-17 Comprehensive Plan Amendment Package City staff identified four relationships among the Marymoor Subarea proposal and other items in the package. The relationships concern: economic development issues, transportation issues, utility issues and land use issues.

Economic development. Part of this proposal is to create the concept of “Local Centers” in the Comprehensive Plan and to designate the Marymoor Subarea a local center. This may make transportation projects planned for the subarea more competitive for regional grant funding. More broadly, the proposed zoning regulations and infrastructure plans may change the direction of economic development in the subarea based on the land uses that develop in the future.

The potential policy and code amendments for groundwater resources on the 2016-17 docket may also affect economic development in the Marymoor Subarea. The groundwater resources proposal could result in policy and code changes related to dewatering and underground parking that could positive or negatively impact economic development where underground parking encounters high groundwater, such as could be the case in the Marymoor Subarea.

Transportation. The Marymoor Subarea proposal is likely to generate both demand for transportation facilities in Redmond and supply of such facilities to support growth. No other transportation-related amendments on the 2016-17 docket are likely to affect the Marymoor Subarea.

Utilities. The Marymoor Subarea infrastructure plan includes new water, sewer and stormwater utility infrastructure to support growth. This infrastructure is proposed to be incorporated into the appropriate functional plans. No other utility-related amendments on the 2016-17 are likely to affect the Marymoor Subarea.

Land use. As noted, the local centers amendment on the 2016-17 docket is part of this proposal. Also as described above, the groundwater resources amendment could affect land use in the Marymoor Subarea to the extent that it encourages or discourages underground parking in areas with a high water table. Third, the 2016-17 docket also includes land use policy and regulatory updates for areas outside the Marymoor Subarea but close to the future Southeast Redmond light rail station. That could impact land uses adjacent to the Marymoor Subarea, with one possible result being zoning that allows transit-oriented development.

V. AUTHORITY AND ENVIRONMENTAL, PUBLIC AND AGENCY REVIEW

A. AMENDMENT PROCESS

RZC 21.76.070.AE and 21.76.050.K require that amendments to the Comprehensive Plan or Zoning Code (except zoning map amendments consistent with the Comprehensive Plan) be reviewed under the Type VI process. Under this process, the Planning Commission conducts a study

session(s), an open record hearing(s) on the proposed amendment, and makes a recommendation to the City Council. The City Council is the decision-making body for this process.

B. SUBJECT MATTER JURISDICTION

The Redmond Planning Commission and the Redmond City Council have subject matter jurisdiction to hear and decide whether to adopt the proposed amendment.

C. WASHINGTON STATE ENVIRONMENTAL POLICY ACT (SEPA)

A SEPA threshold determination was issued on December 21, 2016 and is attached as Exhibit E.

D. 60-DAY STATE AGENCY REVIEW

State agencies were sent 60-day notice of this proposed amendment on December 22, 2016.

E. PUBLIC INVOLVEMENT

The public has opportunities to comment on the proposed amendment through the Planning Commission review process and public hearing. A public hearing is scheduled for January 18, 2017. The hearing noticed is attached as Exhibit F.

During development of the recommended plan and code amendments, subarea stakeholders and those from the area as a whole have had significant opportunities to provide feedback and input on the proposal.

F. APPEALS

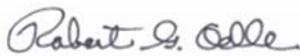
RZC 21.76.070.AE identifies Zoning Code Amendments as a Type VI permit. Final action is held by the City Council. The action of the City Council on a Type VI proposal may be appealed by filing a petition with the Growth Management Hearing Board pursuant to the requirements.

VI. LIST OF EXHIBITS

- Exhibit A: Recommended Comprehensive Plan Amendments
 - Exhibit A1: Goals, Vision and Framework Element
 - Exhibit A2: Land Use Element
 - Exhibit A3: Housing Element
 - Exhibit A4: Economic Vitality Element
 - Exhibit A5: Transportation Element
 - Exhibit A6: Capital Facilities Element

- Exhibit A7: Neighborhoods Element
- Exhibit B: Recommended Functional Plan Amendments
- Exhibit B1: Transportation Master Plan Amendments
- Exhibit B2: Water System Plan and General Sewer Plan Amendments
- Exhibit C: Recommended Zoning Code Amendments
- Exhibit C1: RZC 21.04, General Provisions
- Exhibit C2: RZC 21.08, Residential Regulations
- Exhibit C3: RZC 21.13, Southeast Redmond Regulations
- Exhibit C4: RZC 21.20, Affordable Housing
- Exhibit C5: RZC 21.32, Landscaping
- Exhibit C6: RZC 21.38, Outdoor Storage, Retail Display and Garbage and Recycling Enclosures
- Exhibit C7: RZC 21.72, Tree Protection
- Exhibit C8: RZC 21.76, Review Procedures
- Exhibit C9: RZC Appendix 8, Marymoor Subarea Street Requirements
- Exhibit D: Summary of Multifamily Tax Exemption Program
- Exhibit E: SEPA Threshold Determination
- Exhibit F: Public Hearing Notice for January 18, 2017 Hearing
- Additional resources available online at www.redmond.gov/seredmond:
- South Marymoor Subarea Committee Report dated November 1, 2016
 - Final Draft Marymoor Subarea Infrastructure Planning Report dated December 19, 2016

Conclusion in Support of Recommendation: The Technical Committee has found the proposal to be in compliance with the Redmond Zoning Code, Redmond Comprehensive Plan, Redmond Municipal Code, and State Environmental Policy Act (SEPA).



ROBERT G. ODLE,
Planning Director
Planning and Community Development
Department



LINDA E. DE BOLDT,
Public Works Director
Public Works Department