

Planning Commission Report

To: City Council

From: Planning Commission

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Date: August 6, 2014

File Numbers: LAND-2014-00055, SEPA-2014-00956

Title: Southeast Redmond Neighborhood Plan Update

**Planning
Commission
Recommendation:** Approval

**Recommended
Action:** Adopt amendments to the Redmond Comprehensive Plan and Redmond Zoning Code as shown in Attachments A and B.

Summary: The last update to the Southeast Redmond Neighborhood Plan was in 1993. Like other neighborhood plan updates, the recommended Southeast Redmond Neighborhood Plan update comprises amendments to the Comprehensive Plan and Zoning Code specific to the Southeast Redmond neighborhood, and addresses land use,

neighborhood character, economic development and transportation. This update builds on the completion of the Greater Southeast Redmond Area Transportation Study, planning work to date for a future extension of East Link to Downtown Redmond, and other plans and studies.

Reasons the Proposal should be Adopted:

The recommended amendments to the Redmond Comprehensive Plan and Redmond Zoning Code will integrate existing and new policies and will take account of changes since 1993 to provide an updated framework for development and investment in the neighborhood through 2030. These should be adopted in order to:

- Set the stage for a significant land use transition in the Marymoor Subarea that leverages proximity to Marymoor Park and future light rail investment, in a way that is fair to current property owners and other stakeholders;
- Create new opportunities for employment in the Northeast Subarea and new opportunities for housing in the Marymoor Subarea;
- Emphasize the importance of completing planned park and recreation improvements;
- Provide for better circulation and mobility for all users; and
- Mitigate existing land use compatibility issues.

Recommended Findings of Fact

1. Public Hearing and Notice

a. Public Hearing Date

The Planning Commission held public hearings on February 19, 2014 and July 9, 2014. The February hearing was held open for written testimony until February 26, 2014. The July public hearing was held open for written testimony until July 23, 2014.

b. Notice

The public hearing was published in the Seattle Times. Public notices were posted in City Hall and at the Redmond Library. Notice was also provided by including the hearing in Planning Commission agendas and extended agendas that are distributed to various members of the public and various agencies, and posted on the City's web site. Additionally, notice was sent via letter and e-newsletter to property owners and tenants in Southeast Redmond.

2. Public Comments

Fourteen people testified orally and 18 parties testified in writing during the public hearings on February 19 and July 9, 2014. The February public hearing focused on policy issues while the July public hearing focused on zoning regulations. Key items addressed by those testifying are summarized below. Oral testimony is detailed in Attachments E and F; written testimony is provided as Attachment D.

Transition from urban to rural in Red Brick Road area

Four people testified concerning the quiet and rural nature of the Red Brick Road neighborhood just east of the Redmond city limit. Those testifying desired that the Southeast Redmond Neighborhood Plan take account of the nature of the neighborhood by minimizing impacts to the Red Brick Road area. They also requested protection for environmental and historic features in the area, especially the Red Brick Road.

Manufacturing Park Overlay

Mr. Jim Anderson, representing Mr. Cary Falk, and Mr. Tom Markl, representing Nelson Legacy Group, testified concerning the Manufacturing Park Overlay. Mr. Anderson testified that an overlay, similar to the one at Redmond Way and 180th Ave NE, should apply to his client's properties at the southeast corner of 180th Ave NE and NE 76th St, stating that he was reiterating letters previously provided to the Planning Commission by his client (Attachment D5). Mr. Anderson also submitted a letter (Attachment D1). Mr. Markl testified that the MP Overlay was a first step in considering long-term rezoning of the area. He testified that the Council did not consider it appropriate to zone opposite sides of Redmond Way differently in this circumstance; he also said that Manufacturing Park zoning is not consistent with the character of Redmond Way and was sympathetic to expanding the MP Overlay. He urged Commissioners to review the Council's earlier discussion on the matter and indicated it was overdue to consider permanent zoning changes here (Attachment D14). In a similar fashion, John Priebe and Marla Araki provided a letter in support of extending the MP Overlay to their property at 6848 180th Ave NE (Attachment D15).

Location of housing in Marymoor Subarea

Property owners in the Marymoor Subarea testified concerning the proposed location of future housing in the neighborhood. Ms. Kelly Stephens testified in opposition to changing the zoning from Manufacturing Park (MP) to multi-family zoning called Marymoor Design District 1 (MDD1). She asked the Planning Commission to recommend putting housing closer to the future light rail station and noted that it would be costly to change uses on her property. She also was concerned about how the nonconforming use code is administered (see Attachment D17). Mr. Don Hill testified that the MDD1 zoning would negatively affect his 48,000-square-foot building. He was also concerned about the nonconforming use code. He testified that a typical lease term is 3 to 5 years and that 12 months of vacancy is too short a time period to declare legal nonconforming use rights lost. Mr. Hill said he would be open to discussing other options that might alleviate his concerns (see Attachment D7). Jim and Barbara Hill testified similarly and provided letters that are also part of Attachment D7. Other

testimony concerning the Marymoor Subarea can be found in Attachments D2, D3, D4, D6, D9, D11, D12, D13 and D16.

Transition between residential and commercial uses in Northeast Subarea

A number of Woodbridge residents testified concerning transitions between residential uses in and near Woodbridge and non-residential uses north of Woodbridge in the Northeast Subarea. Mr. Howard Hillinger testified that the neighborhood plan should prioritize certain improvements to improve the transition. For example, he called for buffers as soon as possible, as well as added vegetation, development of Southeast Redmond Park, and alternative transportation routes for heavy trucks. He acknowledged that creating adequate transitions can be difficult. Mr. Hillinger also submitted written testimony, Attachment D8. Ms. Alina Laksberg testified that she has seen some improvements since moving to Woodbridge about 10 years ago, including new bicycle trails. However, she was concerned that the manufacturing activities to the north, particularly noise, odors and traffic, have degraded the neighborhood. She asked for buffers to be included in the plan so that residential and manufacturing uses could both succeed. Mr. Zephyr Lalji testified that manufacturing uses seem to have moved closer to the edge of Woodbridge in the last few years. He was very concerned about the visual aesthetics of the recycling operation north of Woodbridge and wanted something done immediately to reduce its height.

Recommended Conclusions

1. Key Issues Discussed by the Planning Commission

Key issues discussed by the Planning Commission are summarized below. The Planning Commission Final Issues Matrix, Attachment C, details all of the issues discussed. In addition, Commissions Chandorkar and Miller have submitted individual comments as Attachment G.

Shifting housing capacity to the Marymoor Subarea

The Commission supported the CAC and staff recommendation to shift housing capacity from the Northeast Subarea to the Marymoor Subarea. In addition to the housing proposed near Marymoor Park, the Commission requested providing for transit-oriented development that includes housing near the future light rail station. This is discussed in more detail later in this section.

During its deliberations the Commission considered the consequences of such a significant change in planned land use. For example, the Commission discussed the consequences to existing property owners in the Marymoor Subarea, which is an issue detailed separately below. The Commission also considered land use compatibility issues that could arise by adding multi-family residential in the Subarea. In the end the Commission believed that the Marymoor Subarea was more conducive for housing than the Northeast Subarea due to its location near Marymoor Park, future light rail, and nearby services. In addition, the Commission was concerned that

continuing to plan for more medium-density housing north of Woodbridge would exacerbate existing land use compatibility issues.

Locations and types of housing in Marymoor Subarea

Having decided to support the general shift of housing capacity to the Marymoor Subarea, the Commission then deliberated about what type of housing it should be and where it should be located. The Commission favored allowing multi-family housing south of NE 65th St near Marymoor Park and transit-oriented development (TOD) with housing near the future light rail station. The Commission recommended that TOD be specifically researched and incorporated as part of the Subarea infrastructure planning study.

The Commission also considered placing more housing capacity closer to the future station. The principal drawback to this approach was that about one-third of the capacity would then exist on properties with institutional uses, namely a church and a college. After exploring this and other alternatives the Commission supported the staff recommendation as described above.

Relationship of plan update to planning for light rail transit

The Commission continued to support planning for light rail, recognizing that extending light rail to Southeast Redmond and Downtown will require funding via a future ballot measure. Given that support the Commission was interested in how this plan update relates to preparing for light rail. The Commission appreciated recommended policies supporting the extension of light rail, planning for residential and employment uses within walking distance of the future station, and calling for future detailed station area planning and neighborhood-oriented, multimodal connectivity. The Commission desired to make support for transit-oriented development (TOD) more explicit and so recommended that policies call for TOD near the station. In addition the recommended Marymoor Design District purpose statement addresses TOD and the recommended Zoning Map shows a hatched TOD overlay that refers back to neighborhood plan policies.

Ramifications of rezoning Manufacturing Park land for residential uses and ensuring a fair transition

The Commission heard from several Marymoor Subarea stakeholders about the impact of rezoning land from Manufacturing Park (MP) to Marymoor Design District 1 (MDD1), which would be oriented primarily toward multi-family residential uses. The Commission agreed with the perspective that applying the City's nonconforming use provisions in the Zoning Code when MDD1 zoning becomes effective in 2018 would not be fair to existing property owners and in fact would be onerous. Commissioners were concerned about two provisions in particular. First, the code requires that nonconforming uses be replaced with like nonconforming uses, where "like" is narrowly interpreted. The Commission believed that was overly restrictive and could lead to problems re-leasing spaces. Second, the code stipulates that legal

nonconforming use rights are lost after a 12-month vacancy period. Commissioners believed this was too short, particularly in the context of manufacturing businesses that lease to multiple tenants and experience vacancies ranging from a few months to several years.

The Commission supported staff's recommendation to create a stakeholder workgroup that would work with staff to develop a recommended use transition strategy that is fair to existing property owners and ultimately moves toward the neighborhood vision. The stakeholder workgroup's recommended approach would be reviewed by the Planning Commission and City Council prior to the zoning becoming effective in January 2018. The Commission desired that the work begin as soon as possible and move with deliberate speed. The Commission urged staff to include CAC members as part of this workgroup.

The Commission explored a number of alternative strategies, and though it did not recommend a specific strategy – leaving that to the stakeholder workgroup – it believed that an approach like the City's existing approach in Overlake Village could also succeed in the Marymoor Subarea. That approach centers on the concept of "transitional" uses. Such uses remain permitted and are reviewed periodically over time. During the discussion Commissioners expressed a number of viewpoints, including:

- The Overlake Village approach is vague and does not provide owners of non-conforming uses with sufficient guidelines to understand their underlying ownership risks;
- A non-conforming structure should be allowed to remain and leased with non-conforming uses until the end of its economic life, without the ability to extend that life;
- Residential should be added as an overlay for now and other uses reconsidered later when light rail is closer to being a reality;
- The transition could take many years, and during that time there will come a turning point; and,
- The recommended strategy should include triggers to provide more certainty.

In addition, the Commission recommended a policy in the plan to address this topic, and requested that the City Council provide in the ordinance adopting the neighborhood plan that the stakeholder workgroup's recommendation be considered by the Commission and Council before the MDD1 zoning takes effect.

Park amenities in or near Marymoor Subarea

The Commission supported continued efforts involving City, King County and Marymoor Park staff regarding the type and placement of park amenities in or in close proximity to the Marymoor Subarea. The Commission desired policy that would call for the establishment of neighborhood-oriented park amenities in contrast to regional amenities typically provided in parks like Marymoor Park. For example,

amenities such as a play structure, benches, and community garden might be featured in an area of Marymoor Park immediately adjacent to the residential portion of the Marymoor Subarea through an agreement between the City and King County. The Commission concurred that this work could continue as part of the Subarea infrastructure planning study.

Relationship of Marymoor Subarea land uses to Marymoor Park

The Commission supported the staff recommendation to plan for new non-motorized connections to Marymoor Park and establish design standards for the park edge that take advantage of Marymoor Park as a visual and recreational amenity and that avoid creating a wall between the park and the neighborhood. This is in support of the Citizen Advisory Committee's belief that Marymoor Park would be a remarkable amenity for people living and working in the Southeast Redmond Neighborhood.

Creating employment opportunities in Northeast Subarea and ensuring an effective transition between residential and employment uses

The Commission supported the goal of providing employment opportunities in the Northeast Subarea and particularly emphasized the need for standards that implement a successful transition from residential uses in the Woodbridge development and from rural uses east of the city limits and neighborhood boundary to the higher intensity uses in the northern portions of the Northeast Subarea and Central Subarea.

During its deliberation, the Commission emphasized several aspects of the recommended transition strategies including protecting residential uses from nearby, higher-intensity uses; transportation planning, design, and monitoring; landscaping, screening, and other site standards; and open space and setbacks associated with the future completion of the Evans Creek Trail and Arthur Johnson Park. They felt that a variety of strategies were important to ensure effective transitions between land uses of different intensities. For staff's further work in 2014 on design standards for 192nd Avenue NE, the Commission believed the design should reflect the City's complete streets ordinance and provide for both heavy-vehicle use and pedestrian and bicycle mobility.

Additionally, the Commission felt that designating and zoning the Northeast Subarea predominantly as an employment area was appropriate, particularly as a place for larger, campus-oriented settings and for additional manufacturing uses. They supported the planned transitional intensities that provide for lower-intensity uses in the southern portion of the subarea and heavier-intensity uses in the northern portion of the subarea.

Urban-to-rural transition along City boundary

The Commission received testimony from several community members regarding the physical character and relationship between the Northeast Subarea and the rural area located along the Red Brick Road/196th Avenue NE and the Evans Creek valley.

From these concerns expressed by the residents of the Red Brick Road, the Commission felt it important to also emphasize a transition from the urban development existing and planned in the Southeast Redmond neighborhood, including the Northeast Subarea, to the rural area located immediately beyond the city limit and neighborhood boundary.

Recognizing the recommended amendments included several provisions for incorporating the east-west transition such as through site design and current City codes regarding setbacks from critical areas, the Commission also recommended regulations that limit the amount of building frontage within 50 feet of the city limit line to help prevent the visual perception of a wall. The recommended regulations regarding this transition are new and implement several existing policies in the Neighborhoods Element of the Comprehensive Plan including protecting cultural and historic features such as the Red Brick Road and using vegetation along the bluff at the eastern edge of the city limits and neighborhood to buffer urban development from the rural areas to the east.

No-net-loss of housing policy

The Commission supported the CAC and staff's recommendation to ensure a no-net-loss of housing capacity as part of this neighborhood plan update. The issue arose because of the significant planned land use changes proposed and because the City has a no-net-loss policy in the Comprehensive Plan, HO-17. The Commission discussed what other places in Redmond might accommodate the housing capacity that is recommended to transfer out of the Northeast Subarea (about 700 homes). The Commission concurred with the CAC and staff that Southeast Redmond, and in particular the Marymoor Subarea, is the location in Redmond where housing capacity is most likely to be realized over time. The Commission did not believe the transition to housing would happen quickly, but believed it would occur eventually.

Manufacturing Park Overlay expansion

Planning Commissioners expressed a variety of opinions on whether to expand the Manufacturing Park (MP) Overlay and ultimately voted to forward the Citizen Advisory Committee and staff's recommendation to the City Council, which is to keep the current boundaries in place for now, and undertake a more comprehensive and citywide assessment of business needs and appropriate policies and code in collaboration with stakeholders like OneRedmond through a planned MP study that is recommended for the 2014-15 Comprehensive Plan amendment docket. The CAC and staff recommendation is discussed at length in Attachment H in the body of the Technical Committee Report and in Exhibit F of that report.

During its deliberations Commissioners expressed the following viewpoints: that it would be better to see MP spaces leased than vacant; that it might not be advisable to continue to protect MP-zoned land in general; that Redmond Way is in some ways

different than NE 76th St., where the new Overlay was requested; and that retaining manufacturing uses is important for economic diversity.

Zoning for Redmond Way corridor

The Commission concurred with the CAC and staff's recommendation to retain MP zoning on the north side of Redmond Way east of 180th Ave NE, and to address general MP policy and zoning issues holistically as part of the 2014-15 Comprehensive Plan docket.

The CAC discussed the Redmond Way corridor during their plan development process, including consideration of alternative zoning approaches. For the area between the existing MP Overlay boundary and 185th Ave NE, which is currently zoned Business Park (BP), the CAC supported retaining BP zoning for the time being. The CAC noted a perceived demand for these types of business opportunities based on windshield surveys and that the terrain would be a challenge for General Commercial uses. Also, the CAC noted high traffic volumes and high speeds along the corridor. The Planning Commission concurred that a subsequent land use and zoning study was warranted and should take into account a wide variety of perspectives.

2. Recommended Conclusions of the Technical Committee

The recommended conclusions in the Technical Committee Reports (Attachments H and I), except as modified above, should be adopted as conclusions.

3. Planning Commission Recommendation

The Commission voted 6-0 at its July 23, 2014, meeting to recommend approval of the proposed Comprehensive Plan and Zoning Code Amendments for the Southeast Redmond Neighborhood Plan as shown in Attachments A and B.

List of Attachments

Attachment A: Recommended Amendments to Redmond Comprehensive Plan

Attachment B: Recommended Amendments to the Redmond Zoning Code

B1: Zoning Map Amendments

B2: Zoning Text Amendments

Attachment C: Planning Commission Final Issues Matrix

Attachment D: Written Testimony

D1: Anderson
D2: Bowman
D3: Daher
D4: Du
D5: Falk (4)
D6: Hansen (3)
D7: Hill (5)
D8: Hillinger
D9: Hinman
D10: Hopelink
D11: Ihnot
D12: Kent
D13: Mathews
D14: Nelson Legacy Group
D15: Priebe
D16: Reineke
D17: Stephens (3)
D18: Williamson (2)

Attachment E: Planning Commission Meeting Minutes for February 19, 2014

Attachment F: Planning Commission Meeting Minutes for July 9, 2014

Attachment G: Individual Comments from Planning Commissioners

G1: Chandorkar
G2: Miller

Attachment H: Technical Committee Report with Exhibits (January 31, 2014)

Exhibit A: Recommended Amendments to Redmond Comprehensive Plan
Exhibit B: Recommended Comprehensive Plan Land Use Map
Exhibit C: Planning Commission and City Council Topics of Interest
Exhibit D: Letter from Pedestrian Bicycle Advisory Committee
Exhibit E: *written testimony provided in Attachment E above*
Exhibit F: MP Overlay Cover Memo to Citizen Advisory Committee
Exhibit G: Engagement Summary
Exhibit H: Marymoor Subarea Focus Group Summary
Exhibit I: University of Washington Design Studio Summary

Attachment I: Technical Committee Report with Exhibits (June 13, 2014)

- Exhibit A: Recommended Amendments to Redmond Zoning Code
- Exhibit B: Recommended Zoning Map
- Exhibit C: Recommended Amendments to Redmond Comprehensive Plan
- Exhibit D: Recommended Comprehensive Plan Land Use Map
- Exhibit E: *issues matrix provided in Attachment C above*
- Exhibit F: SEPA Threshold Determination
- Exhibit G: Public Hearing Notice

Robert G. Odle, Planning Director

Date

Vibhas Chandorkar, Planning Commission Chairperson

Date

Approved for Council Agenda _____

John Marchione, Mayor

Date