Redmond City Council 15670 NE 85<sup>th</sup> Street Redmond, WA

RE: Neighborhood Commercial Minority Report

**Redmond Planning Commission** 

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### Introduction

This report is offered as a report to the City Council relating to the reasoning and concerns of Planning Commissioners who voted in opposition to the proposed Community Development Guide Amendments relating to Neighborhood Commercial land use and zoning classifications.

### **Definition**

As presented to the Planning Commission, the proposed amendments would establish two new classifications (NC-2 and NC-1) for commercial development ostensibly intended to be located in "neighborhoods" (mixed use and business). The two designations were crafted around the scale and scope of two existing non-conforming developments – an "NC-2" on Avondale Road near NE 124<sup>th</sup> St, and an "NC-1" development located on one of the two City of Redmond quadrants at 132<sup>nd</sup> Ave NE and NE 70<sup>th</sup> St/Old Redmond Road.

Such micro commercial establishments have existed for years – often they are referred to as "Mom and Pop Groceries", but have been eroded by national planning trends which segregate what were once perceived as dissimilar and non-complimentary land uses through zoning. We certainly understand the need to keep residential development and rendering plants separate, but do not see the immediate incompatibility of a corner coffee shop, produce store or bakery with the needs of residents who might walk to such an establishment.

## **Points Raised in Review**

From our first briefings on the topic, Planning Commissioners suggested the inclusion of a third category – named temporarily as "NC-.5" to address a third type of commercial of very limited size and scope that could fit in truly neighborhood (residential) settings, and which have the potential of better meeting many of the proposed measure's goals of walkability, sustainability, and community building than could built under the significantly larger NC-1 and NC-2 guidelines.

Initially, it was felt that micro commercial could have and should have been specifically addressed in assessment policy 40.5, as a type of development to be considered in the future as the City learns more about the public's support of or opposition to the larger NC-1 and NC-2. Currently, this language is very universal and vague, and thus it is not clear that the policy can or is even intended to address expansion of the Neighborhood Commercial designations to incorporate commercial at a truly local level. The following language drafted by Planning Commission Chair Hinman was intended not to be a formal proposal for a new land use category, but instead a point of reference for further study and assessment per proposed policy 40.5:

Micro-level Neighborhood Commercial

When creating more sustainable, walkable and accessible neighborhoods in Redmond, inclusion of small commercial ventures on sites as small as ½ acre may be viable alternatives. Through expressions of developer interest or in response to desires voiced by the community through the Neighborhood Network or similar means of communications, Redmond's Neighborhood Commercial land use and zoning designations may be re-evaluated when there is:

- Substantial public interest in access to uses typically permitted in Neighborhood Commercial zones; or
- Significant or widespread public acceptance of or resistance to Neighborhood Commercial development; or
- A change in the economic climate that makes Neighborhood Commercial or greater or lesser interest within the development community.

Staff has taken the position that NC.5 is "covered" under the specifications of the NC-1 designation, which is true only insofar as NC.5 is smaller than NC-1. NC-1 is not, however, intended to address the unique characteristics of a small commercial enterprise, and accordingly these micro establishments must meet the requirements that are designed for much larger developments.

These requirements, including elements of parking, landscaping, and provision of public spaces are perfectly reasonable for NC-2 and arguably so for NC-1. To apply these same standards for (in one example) a stand-alone corner coffee shop does not appear to be consistent with other practices in similar sized communities that have very successful examples of micro-retail. Indeed it is not necessarily a minority of Planning Commissioners who believe that the extensive design requirements proposed for NC-2 and NC-1 by staff ultimately may preclude development of new Neighborhood Commercial developments, and absolutely precludes micro commercial if these same requirements aren't modified for smaller developments.

## **Non-Compete Provision**

Of particular concern to us is the linkage of the Downtown/Overlake "non-compete" provisions of NC-1 and 2 to any micro retail proposal. We need to remind ourselves that one of the principal justifications we have been given for the establishment of the NC classification is to improve "walkability" in our neighborhoods. This policy precludes (in theory) any development occurring within ½ mile of Downtown or Overlake commercial business districts. We have not seen to our satisfaction that forcing neighborhood residents to walk an extra ½ mile accomplishes anything but encourage the use of automobiles for even very short trips. ½ mile excludes a large number of people in Redmond from convenient commercial, and (given the topographic barriers close to Downtown) effectively even more than that. It isn't the intent to force car trips downtown, but this certainly is the effect.

¼ mile is the outside of the range transit agencies typically use to determine capture for individual routes, and that doesn't include walking up steep hills or carrying bags of product home from the store. We are not convinced that the types of establishments normally associated with NC .5/ micro commercial are even the ones we would be trying to protect in Downtown or Overlake. Given the growth projected, planned and produced in these areas, it seems as though the City has bent over backwards to establish a lush and prosperous business climate in Downtown and Overlake. Such a climate does not exist within reasonable walking distance of many if not most residential neighborhoods in Redmond, especially so if we consider the impediments to pedestrian mobility represented by wide streets, fast moving traffic, incomplete sidewalk networks and by the hills of our town.

Small scale – micro – commercial has the potential to provide an active focus – a point of contact – for residents of neighborhoods that have been shaped for decades by the needs of automobiles over the needs of people. We have no qualms about taking a conservative approach to design guidelines for these potential establishments, but they must be guidelines developed <u>for this particular use</u>, and not a "one size fits all" that puts a walk up coffee shop in the same zoning classification as a mid-size grocery store and gas station.

## What Should Micro Commercial Accomplish?

We do not see NC-.5 as being a large development at all – indeed, the 132<sup>nd</sup> Ave NE NC-1 development (while successful) exists as part of a larger commercial neighborhood at Bridle Trails, making its characterization as Neighborhood Commercial somewhat debatable.

Truly neighborhood commercial is a product of the neighborhood as much as for the neighborhood – services and products provided should be of the sort that doesn't require a motor vehicle to transport, and which are particularly convenient for residents to reach by foot. Micro commercial can allow family-owned businesses to thrive in a time when multiple generations of a family are again living in the same home. Micro commercial can bring healthy food to a neighborhood, in a time when so many only get food from convenience retail (fast-food).

Finally, micro commercial can create an enhanced spirit of community. Having a place where one can interact with neighbors is a laudable goal of the staff NC-1 and NC-2 proposal, but we do not feel that the proposed language as sent forward to the Council will effectively accomplish these goals. We are concerned that NC-2 and NC-1 as defined are large enough that there will be significant community opposition to placing these in anything other than locations accessible mainly by car. It's not a great fit for neighborhoods. We understand the desire to make existing developments conforming – we do not believe that this is necessarily the model we want to apply to new developments. We do not see the community breaking down the door for more NC-2, and without at least articulating a vision for what micro commercial can do, we suspect that preclusion of micro commercial will be an undesirable consequence of the proposed policies and accompanying regulations.

The addition of micro commercial – or at the very least entertaining their potential inclusion in future Comp Plan revisions – gives the City a flexible tool that can meet the changing shape and expectations of City neighborhoods. It can deliver healthy food, and encourage active lifestyles. NC-2 will not accomplish this within a neighborhood – it will require driving short distances. NC-1 as constrained by language in the proposed measure is similarly hamstrung.

At the end of the day, we could not support a measure that we believe directly conflicts with many core principles of the Comprehensive Plan – principles of sustainability, active living, and development of the community as truly a city of neighbors. These contradictions have overcome our respect for the hard work of staff in the preparation of the proposal, and leave us wanting something better.

# Other examples of Micro Commercial Ordinances and Operations

During the Planning Commission's review of the proposal, we discussed other examples of successful micro commercial development. The language below is from Portland, OR, and makes clear that micro commercial is by definition SMALL, and must be compatible with adjacent residential uses to be successful, and that it is also the proximity itself which is the desireable public benefit of such development:

### Portland CN1 Zone

### CN1 (Neighborhood Commercial 1) zone

The Neighborhood Commercial 1 (CN1) zone is intended for small sites in or near dense residential neighborhoods. The zone encourages the provision of small scale retail and service uses for nearby residential areas. Some uses which are not retail or service in nature are also allowed so a variety of uses may locate in existing buildings. Uses are restricted in size to promote a local orientation and to limit adverse impacts on nearby residential areas. Development is intended to be pedestrian-oriented and compatible with the scale of surrounding residential areas. Parking areas are restricted, since their appearance is generally out of character with the surrounding residential development and the desired orientation of the uses.

# Specific examples:

- In Seattle, the Volunteer Park Market and Café continues a 100 year history of providing service to the neighborhood (www.alwaysfreshgoodness.com), and has gone to extraordinary lengths to ensure that parking, delivery, noise and other neighborhood concerns are addressed on an on-going basis.
- In Bend, the Jacksons Corner Market is a neighborhood institution, with high quality baked goods, sandwiches, espresso and internet café during the day, and a high end pizza/pub establishment at night no off street parking, no required patios, no setback from the street.
- Also in Bend, the Riverside Market also changes through the day as coffee house/internet café, restaurant, grocery store, pizza house and pub with limited evening entertainment a classic "third place" anchor for the surrounding residential neighborhood.
- In Redlands, California, the Olive Avenue Market has been a stand-alone residential grocery for over 85 years, and has recently also evolved as a high-end specialty grocery, albeit without the small dining and pub elements of the Bend or Volunteer park examples

### Summary

Our opposition to the proposed policies is not based on an opposition to Neighborhood Commercial – our opposition is based on the attachment of location principles which are at the core inconsistent with the Comprehensive Plan, and in the failure to include micro-commercial as a FUTURE element of the assessment of Neighborhood Commercial policies. We did not seek establishment of NC-.5 zoning at this time – instead, we seek specific acknowledgement of the potential contributions that truly local and very small scale commercial activity can make to the livability of our community, and that such efforts not be constrained by protecting entities which really need no protection from the types of businesses associated with this model.