



City of Redmond

MP/BP/I STUDY

White Paper – 4/4/08

Introduction – Purpose

Planning Department staff are undertaking a study of Manufacturing Park and Business Park (MP and BP) zoned areas to review how these areas are functioning within the City and what changes, if any, are necessary to protect current uses as well as to provide flexibility for uses in the future. The review will provide future direction for the consideration of how proposed land uses fit with the Comprehensive Plan goals and vision for these areas.

Within the last two years, the City of Redmond Planning Commission has received a number of requests from property owners of MP and BP land to allow uses other than those currently allowed. No land has been rezoned from MP since the adoption of the 1995 Comprehensive Plan, however, there continues to be requests for the consideration of new uses within both the MP and BP areas. In order to make more informed recommendations regarding land uses in these areas, the Commission requested that Planning Department staff do a study of these areas and determine if any changes should be considered. The City's business and manufacturing park areas are important to the area's economic vitality: this study will consider how these areas are functioning currently, ways to support both existing and new business within these areas, and will help to provide a context for considering individual requests for changes to the Comprehensive Plan.

Exhibit D

Background

Urban Advisors Study

In 2003, staff began evaluating the question of whether to allow housing in MP zones, prompted by a property owner request. For additional information on the future of MP areas, the City hired a consultant to evaluate manufacturing land use needs in Redmond. The study observed that manufacturing jobs are decreasing as a percentage of total jobs, that average lease sizes (in square feet) are decreasing, and that the cost of operating manufacturing businesses in Redmond is higher than elsewhere in the region.

Results from the consultant's report (Urban Advisors, Inc.) suggested that there are a number of factors limiting Redmond's ability to attract traditional manufacturing businesses to the community. Some of these factors include high land costs, high wage demands for jobs in Redmond, and the cost of regulation and permitting. In addition, trends such as the outsourcing of jobs to other countries and significantly lower land costs in other areas of King, Pierce, and Snohomish Counties, make Redmond a less-competitive market for traditional manufacturing uses.

The report concluded that manufacturing employment will continue to decline as a proportion of the citywide total, and the local housing market does not serve the typical industrial employee, due to high housing costs. The Urban Advisors study gave three alternatives:

- 1) Making no changes to assure availability of land for MP uses;
- 2) Reevaluating allowed uses in MP zones;
- 3) Rezoning MP land to address projected land use needs

Below are the three alternatives of the study and issues related to each:

Alternatives from "Redmond Industrial Zoning" by Urban Advisors (2003)

- No change to MP zone
 - o Uncertain future, especially as the cost of doing traditional MP-related business in Redmond is comparatively high
- Revamp MP zone to broaden allowed uses
 - o Traditional MP uses not expected to increase as proportion of area economic output
- Rezone MP land to more in-demand uses
 - o Potential land-use conflicts

Ultimately, the allowance of residential uses within MP areas was not favored by other property owners and businesses on MP land in Southeast Redmond and other areas of the City, largely due to the potential incompatibility of the uses and the possibility of negative impacts (dust, odors, noise, and traffic) from manufacturing uses on adjacent

residences. In addition, the applicant chose to not pursue the request further with the Planning Commission.

A forum “on the Future of Manufacturing in Redmond” was held in June, 2004 on the Microsoft campus. The event was attended by a number of individuals involved in business and planning on the local, regional and state level. Some of the themes emerging from the forum are as follows:

- Manufacturing, as a percentage of jobs, has lost ground both within the state and the region.
- Redmond has a strong manufacturing presence on the eastside; however, there is permanent change occurring in the nature, size, type, labor force, productivity, and role of manufacturing within the US and the region. These changes are reflected within Redmond as well.
- Incubator space is important to grow new businesses. Likewise, once they have outgrown the incubator space we will need to find opportunities for the business to stay in Redmond
- Transportation of employees and goods will continue to be a need and an issue.
- Education, both K-12 and higher education, is a key factor in growing businesses, attracting them and retaining them.

Breakfast Forum

The City held a Breakfast Forum on January 18th, 2008, with over 60 persons attending. A letter of invitation was sent to all property owners in the Manufacturing Park, Business Park, and Industry zoned areas, along with about 75 businesses. The meeting was the kickoff event to the current review of MP and BP areas, with the intended purpose of encouraging the business community to provide input regarding their issues and concerns at the earliest stage of review. In a small group format, participants were asked to focus on one question among several posed, and a summary of responses were given when participants reassembled at the end of the session. The questions centered on the issues outlined below.

Issues

- **How are the Manufacturing Park and Business Park areas working?**
- **What changes, if any, should be made to allow for the successful operation of businesses within these areas?**
- **What changes, if any, in types of business use would be appropriate?**

The responses given by the participants of the Breakfast Forum were varied, and are summarized as follows.

Comments about existing conditions:

- Companies are generally satisfied with being in Redmond and want to stay.
- Commercial space in both BP and MP areas is being leased at a healthy rate – the current vacancy rates are considered to be within an acceptable, even low range.
- Consideration of different uses should bear in mind the needs of existing manufacturing uses, including access needs and impacts.
- Concern about additional traffic: uses should not generate high traffic volumes or impede the movement of freight vehicles.
- Higher land costs and changing markets create demands for different space needs.
- Existing manufacturing uses should not only be allowed to stay but should be protected from incompatibility from other uses, both existing and proposed.

Participant Suggestions:

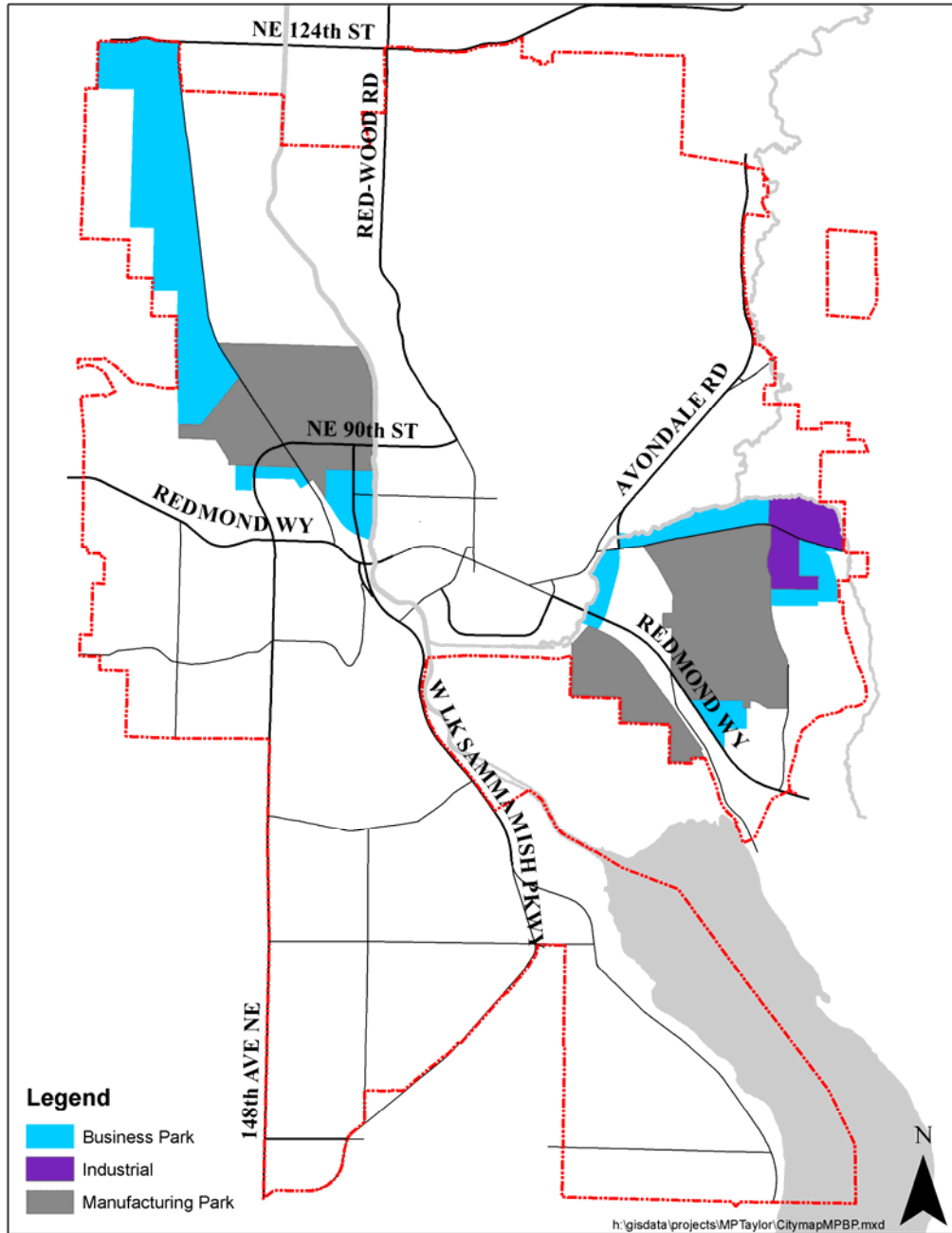
- **Need to accommodate new industries as they wish to locate here**
- **Allow professional uses to the extent that it does not detract from the viability and vitality of Downtown**
- **Consider more diverse businesses to get a more vibrant community**

Existing Conditions

According to CB Richard Ellis, in the third quarter of 2006, warehouse/manufacturing vacancy stood at 5.85% in the Marymoor subarea (15.94% in the Willows subarea). At the same time, the Redmond office market had a 2.98% vacancy rate (5.02% in 2007 Q4), while during the first half of 2007, the retail market for the Eastside had a 3.00% vacancy rate (2.82% for Redmond/Willows). Taken as a whole, Eastside vacancy rates are down for warehouse/manufacturing spaces, and stable for retail and office spaces over the last few years.

The service sector represents 68% of Redmond's jobs (2006), and grew by nearly 126% between 1995 and 2006. This sector includes software jobs, which in part accounts for the significant increase. Manufacturing jobs have increased by less than 2% since 1995, and accounted for about 12% of Redmond jobs in 2006, versus 19.5% in 1995.

Currently, there are two Comprehensive Land Use designations which encompass the Industrial, Manufacturing Park and Business Park zoned areas of the City: the Business Park areas as identified on the Comprehensive Land Use Map are zoned BP, while the Manufacturing Park designated areas include both the MP and I (industry) zones.



Land Use Designation	Zoning	Acres	Acres total	Percent of Land Area
Business Park	BP	533	533	5.0%
Manufacturing Park	MP	737		7.4%
	I	79		<1%
Manufacturing Park, including MP and I			816	8.4% (approx.)

Business Park and Manufacturing Park			1,349	12.6%
Total Redmond contiguous			10,624	100%

The Business Park land use designation includes a total of 533 acres within the City. It is generally intended to provide areas to locate software development, research and development, advanced technology and biotechnical uses and associated offices and related manufacturing activities. Services that support other BP uses, with the intent to internalize vehicular trips and not be a generator of additional trips, are also allowed. The Redmond Comprehensive Plan states:

“Business Parks enable firms to integrate their research and development, office, small warehouse, and light manufacturing uses in one location. As manufacturing in the region shifts to more complex products, the ability to combine management, design, engineering and manufacturing employees into teams on one site can be important.”

The Manufacturing Park designated areas within the City are contained in two areas which comprise 816 acres in the City: 1) west of the Sammamish River between approximately NE 87th Street and NE 100th east and west of Willows Road, and; 2) in Southeast Redmond, both north and south of Redmond Way. MP zones provide for existing and future manufacturing and industrial uses that require significant areas for storage of materials and equipment. In addition, biotechnology, research and development facilities and corporate headquarters and regional offices associated with other permitted uses are allowed. Comprehensive Plan policies also identify MP areas as those that do not attract uses that are more appropriate in or near a Center (that is, Downtown and Overlake).

Within the MP designated area, the area zoned Industry (I) includes 79 acres of the total of 816 acres noted above. Land that is zoned for Industry requires large parcels and good regional transportation access. Uses intended for I include: manufacturing and related research and development, wholesale, assembly and distribution. Office uses are limited to those that support primary uses.

Comparison of the land use designations

Within the Business Park and Manufacturing Park designations, the allowed land uses differ in the level of intensity. Business Park (BP) areas require that manufacturing and wholesale distribution activities are primarily indoors, with also more limited outdoor storage than in MP areas. Conversely, MP areas allow outdoor storage of materials, with less stringent requirements for buffering and are acknowledged to have likely impacts of

truck traffic, noise, dust and lighting. Mixed uses, including housing, are allowed in Business Park zoned areas, while MP areas do not allow housing. The variety of uses in both BP and MP areas is intended to allow uses to internalize vehicular trips.

Professional office uses that serve the general public are directed to Downtown and/or Overlake. To also encourage development in these areas, the expansion of Business Park designations outside of existing business park areas is not supported by the Comprehensive Plan.

Comprehensive Plan Policy LU-48 states:

Provide for business park, manufacturing park, and industrial uses in locations that...

- **Complement the Downtown and Overlake and do not attract uses that are more appropriate in or near a center.**

What specific issues these areas are now facing

- **There is a need to confirm the direction for these areas, now and for the future**
- **There is pressure on these MP and BP areas; in addition there is regional competition, and the fact that these areas are relatively lower cost land than Downtown Redmond:**
Trends:
 - 1) New uses of BP and MP are more high tech than previously
 - 2) There is lower demand for older buildings used for warehouse/distribution
 - 3) High tech uses (which are allowed) can mean higher rent space, which may put pressure on other MP properties to convert to that type
- **The nature of work is changing, globally, regionally**

What other cities have done

Seattle

Mayor Nickels plan for the City of Seattle is to reduce the amount of office and retail space that can be built on land set aside for industrial use. The new ordinance, adopted in December, 2007, is intended to protect against non-industrial encroachment into industrial zones and to protect manufacturing jobs. Prior to adoption of the ordinance,

industrial areas were fairly lenient in allowing retail up to 75,000 square feet and free standing office use up to 100,000 square feet in the General Industrial 2 (IG2) zone, for example. With the new legislation, the maximum size limit for office and retail uses in both the IG1 and IG2 zones has decreased significantly to 10,000 and 25,000 feet, respectively. The legislation contains a few exceptions which include allowing limited expansions for existing non-industrial uses, e.g., Starbucks, if due consideration is given to non-encroachment on industrial uses. Generally, however, the legislation committed to the idea that office and retail development should occur primarily in urban centers and not deplete the areas set aside for industrial uses.

Bellevue

Bel-Red Corridor Study

The Bel-Red Corridor Study was begun in 2005 and completed in September, 2007, with a preferred alternative for how the area would grow and develop into the future. A strategy for how to accommodate “traditional light industrial uses” was an important topic of the study, as approximately half of the study area is presently planned and zoned for LI uses. In addition, out of the 750 acres of land in Bellevue zoned for LI uses, approximately 450 acres, or 60 percent, is located in the Bel-Red corridor.* The overall percentage of land for light industrial uses is 4.3 percent of total land area in the City.

The traditional light industrial uses are generally distinguished as either industrial or manufacturing (generally characterized by business activities, manufacturing, assembly, processing, and similar operations), or warehouse/distribution (generally characterized by businesses involved in the warehousing and distribution of wholesale goods and supplies). The general recommendation for these areas within the Bel-Red Corridor is to allow existing uses to remain, expand, be continued by future owners, and rebuild (if destroyed). However, no *new* LI uses would be allowed, and discontinued LI uses could not be re-established.

It should be noted that the LI designation in the City of Bellevue includes service uses that have characteristics typically associated with light industrial uses, such as auto repair, automotive parts and accessories (including tire shops), auto dealers and boat dealers, especially the service/repair component, car washing and detailing, towing and car rental. These uses were distinguished from the many other service uses (health care, business and professional office, household repair) because they could have possible negative impacts on adjacent uses (noise, odor, dust, aesthetics) if dissimilar. The service uses with LI characteristics are limited in the manner described above *within* transit nodes and identified stand alone housing areas. For the service uses with LI characteristics that are *outside* transit nodes and standalone housing areas, i.e., the rest of the corridor, new uses will be allowed across the district.

These uses would not be considered “nonconforming” uses. The City of Bellevue is working on defining a new term for an existing use that is allowed to continue and expand, but new uses of its type are not allowed. This new definition will be

incorporated into the Bellevue Land Use Code. Changes to light industrial land uses would encourage further changes to the land use pattern in portions of the Bel Red Corridor to reflect a more mixed use (housing/office/retail) area that is also supported by a multi-modal transportation system.

**Bel-Red Final Report, September 2007*

Kirkland Urban Advisors' Report 2005

The City of Kirkland has also looked at the issues surrounding industrial land. In 2005 The Urban Advisors report concluded that:

“The combination of demographic change, home pricing, rising land values, regional traffic congestion, and shifts in projected employment [are in conflict with] the continued feasibility of low cost space for industrial uses that can remain competitive in regional and international markets. The trends indicate, on the contrary, that an emphasis should be placed on the creation of higher density employment space for financial, insurance, real estate, services and “tech” uses that can employ higher wage local residents of Kirkland and can afford the land and development costs for higher density.”

The study outlined several actions that the City could undertake to retain business as well as create conditions for new businesses. At the same time, it considered the issue of new industrial uses being less likely. Given that, questions regarding alternative land uses and how the transitions between uses are accomplished will be more the focus.

Policies Review

The Redmond Comprehensive Plan policies, through Vision, Goals and Framework policies as well as Land Use policies speak to manufacturing areas in a variety of ways:

Comprehensive Policies

FW-10: Ensure that the land use pattern in Redmond meets the following objectives:

- Focuses and promotes office, housing and retail development in the Downtown and Overlake Urban Centers;
- Retains and encourages research and development, high technology and manufacturing uses in portions of Overlake, Downtown, Willows, and SE Redmond;
- Provides for industrial uses in suitable areas, such as portions of the Bear Creek Neighborhood;

Policy LU-11: Minimize land use conflicts when there is potential for adverse impacts on nearby uses by:

- Ensuring that uses or structures meet performance standards that limit adverse impacts, such as noise, vibration, smoke, and fumes; and
- Creating an effective transition between land uses through building and site design, use of buffers and landscaping, or other techniques.

Policy LU-12: Recognize that the Manufacturing Park zone is intended primarily for manufacturing and related uses. Require any residential development, if allowed within Manufacturing Park zones, to recognize, avoid, and mitigate, within the boundaries of the residential development, potential adverse impacts associated with manufacturing and related uses.

Policy LU-13: Avoid unwarranted complaints from residential uses proposed for location within or adjacent to Manufacturing Park or Industrial zones with businesses that comply with performance standards and other applicable regulations. Require applicants to use techniques such as notifying potential residents that a variety of activities may occur on designated Manufacturing Park and Industrial land that may create undesirable or harmful impacts.

Policy LU-37: Maintain the Downtown as the major retail, service, entertainment, and cultural center for the City and greater Redmond area. Ensure that other commercial areas in the City do not detract from the Downtown and help to meet other community commercial needs.

LU-57 and LU-58 are Land Use Designation Policies for the Business Park Designation and the Manufacturing Park Designation, respectively.

They both provide a statement of purpose for the areas within these designations, as well as identifying the allowed uses.

LU-57 Business Park Designation

Purpose. Provide for attractively designed and efficiently used areas for business and manufacturing employment opportunities that complement commercial activities typically found in the Downtown, involve limited outdoor storage, and include a high level of amenities.

LU-58 Manufacturing Park Designation

Purpose. Provide locations for existing and future manufacturing and industrial uses, particularly those that require significant areas for storage of materials and equipment (both indoors and outdoors). Provide for manufacturing uses that are better suited for locations outside of the Downtown or Overlake due to site requirements, noise impacts, transportation needs, or other considerations.

Previous Council actions taken regarding land uses in these areas

Changes to the Manufacturing Park areas have shown a trend towards more allowed uses while also reaffirming the desire to protect MP areas from incompatible uses:

- MP and Industry (I)
 - Formerly Light Industry, (LI) and Heavy Industry (HI)
 - Churches - 1997
 - Technical Colleges - 2003
 - Consideration of Residential Uses in MP – 2003
 - Revisions to RCDG re: residential Uses in MP – 2007
 - Membership Wholesale/Retail Warehouse - 2007
 - Corporate Headquarters, when associated with allowed MP uses – 2007

Areas zoned Business Park (BP) have received some pressure by users interested in locating personal or professional services. City Council actions have supported maintaining the current BP uses and not expanding to allow services other than those supportive to the allowed uses. In October, 2004, the Council voted unanimously to uphold the Hearing Examiner's decision to deny the appeal of an administrative land use request. The applicant had requested review of the zoning code and interpretation such that professional service uses such as medical, dental and other health services could be allowed in the BP zone.

Comprehensive Plan policies are explicit regarding protection of MP and BP from incompatible uses; however, there is also recognition that the requirements for new users of land in these areas will evolve over time.

Framework/Principles

Based on various resources, documents, and input received about Manufacturing Park and Business Park areas, the following principles are proposed to form the basis for future consideration of land uses in these areas. Several of these principles are a reiteration of Comprehensive Plan policies, and some are new concepts to provide the basis for further review and possible actions.

1. Recognize the importance of MP and BP uses as job creators and providers of important services to the community.
2. Retention of existing, long term businesses is important; any changes recommended should not result in incompatibility or hardship.
3. There may be changes in manufacturing needs and practices, such that some consideration for modifications to allowed land uses and/or site requirements in these areas may be warranted.
4. The traditional definitions and distinctions between manufacturing uses and business parks uses are blurring, and the trend is toward intensification. One example of this trend is towards more “office” type buildings in the Manufacturing Park areas which is likely to continue.
5. Continue suitable transitions between uses: consider the kinds of uses that are allowed and their possible negative impacts (noise, odors, dust or visual impacts, such as outdoor storage) to adjacent uses; e.g., residential uses adjacent to MP.
6. Consistent with Comprehensive Plan policies, retail and professional services should continue to be encouraged to locate in the Urban Center areas of Downtown and Overlake. Additional considerations may include the amount of daily walk-in customers, or whether storage of large vehicles or equipment is associated with the use.

Development of Concept Alternatives

How Manufacturing Park areas should function both now and in the future, within the City of Redmond is a question with a number of components. There have been a variety of inputs, including several noted above:

- Redmond Comprehensive Plan policies

- How allowed land uses have changed, also administrative interpretations within BP and MP areas
- Business license applications – the ability to locate a business where requested
- Business and property owners – stakeholder group
- What other cities have done

When considering how the MP and BP areas are functioning within the balance of land uses in the City, the issues of land use, site requirements and compatibility/transitions between uses need to be addressed. This paper identifies these issues and poses questions, along with possible methods to implement changes or suggestions for further study, within each of these areas.

1. Land Uses

Participants at the Breakfast Forum, held in January, 2008, indicated a general satisfaction with the range of allowed land uses within the existing BP/MP/I zones, at the same time acknowledging that additional flexibility in use categories would be helpful, especially where there is little differentiation between BP and MP uses. There was discussion about the changing nature of work and that there is an ongoing trend toward more technology uses in MP areas, as is now currently allowed. There was also discussion about how it is often difficult to categorize the nature of a particular use, where there seemed to be some blurring of the distinctions between BP and MP areas in particular.

Land Use/Options to Consider:

With regard to changes in land uses, there are a variety of actions that could be considered in the context of this study. The evolution of uses in these areas does indicate some flexibility toward allowing a greater variety as well as reaffirming a commitment to protect MP uses. Relatively recent examples include permitting larger church facilities within the MP zone, colleges and technical schools, a membership wholesale/retail warehouse use and corporate headquarters when associated with a permitted use.

Some of the questions about particular uses that the City has dealt with through the business license application process which may have also been discussed at the Breakfast Forum include:

- Should there be more retail opportunities within the BP and MP zones? If so, what type and under what conditions? For example, the land use code currently requires that any sale of goods must be those manufactured or assembled on site. Should this be expanded to allow a small retail component for goods that are distributed by what is primarily a wholesaler?
- Comprehensive Plan Policies generally speak to limiting services within the BP and MP areas to those that serve the businesses within these areas. Should there be an expansion of those services, and under what conditions?

- Should services that are not currently allowed be permitted within these areas?
- One example would be an engineering or architecture firm that does not generally work with the public.
- Another example is a small, one or two person general office such as an accountant not servicing businesses in the immediate area, where the work is done exclusively by computer and/or telephone. Currently the only options available for this type of company would be an office in the home or within the Downtown or Overlake areas.
- The “Personal Services” use as currently implemented in the City includes nail shops and personal services/hair salons. At this time, personal services are not allowed in the MP zone, however as the popularity of these services has grown, there has become an increasing variety in personal services offered, and which in some cases, may require larger, or less finished spaces. Uses that fall into this category would be those that may use large amounts of water, such as steam, whirlpool or mud baths, or may be associated with a gymnasium facility.

The above represent questions that have been posed to the City, and have been revisited through discussions of Comprehensive Plan policies, the SE Redmond Neighborhood Plan, or individual requests for business licenses or land use change applications. This list is not necessarily exhaustive, in fact, if there are other issues to consider regarding land use within MP and BP areas, we would welcome additional input.

Further discussion and refinement of these questions by the City staff, the business stakeholder group and the Planning Commission will help to identify potential amendments to the Redmond Community Development Guide and Redmond Comprehensive Plan. The questions about particular uses listed above will require further analysis, as well as a more complete review of any other possible additions, if there are gaps in where uses may locate or inconsistencies within the permitted land use chart. Again, these issues will either be brought forward as separate land use considerations or bundled together for Planning Commission review as appropriate.

Land Use – Strategies to Implement Changes

The Urban Advisors Report, as discussed, suggested three possible approaches to the consideration of land uses in the Manufacturing Park areas. While the Report did not specifically address BP areas, the alternatives presented for MP may be appropriate for BP as well within the context of this study. Apart from the “No Action” alternative, the following two actions were suggested:

- **Revamp MP zone to broaden allowed uses, and;**
- **Rezone MP land to more in-demand uses**
- The City’s Permitted Land Uses Chart will need to be further evaluated for areas of land uses in which there are businesses not being well located or well served, due to, as has been suggested, changes in industry demand, or changes in the nature of how work is done.
- Another suggested method for providing additional land use flexibility, in a sense a “hybrid” of the two alternatives suggested by the Urban Advisors study, would be to consolidate the Comprehensive Land Use designations of Business Park and Manufacturing Park. The three zoning categories of BP, MP and I could be grouped together under one land use designation, instead of the current configuration which uses two land use designations.

Current:

Comprehensive Land Use Designation	Zoning
Business Park	BP
Manufacturing Park	MP, I

Alternatives:

Comprehensive Land Use Designation	Zoning
Light Industry and Manufacturing	BP, MP, I

Or,

Comprehensive Land Use Designation	Zoning
Light Industry and Manufacturing	BP and MP
Heavy Industry	I

This method of recombining zoning categories recognizes that there is a trend toward some overlap in these uses and that new Comprehensive Plan designations would represent a continuum of uses from what are now defined as business park uses to more light industrial, e.g., warehouse and distribution, to more heavy industry, such as concrete fabrication and gravel extraction. The Comprehensive

Plan description of land use categories and purpose statements for each designation would need to be reformulated with this approach.

Pros/Cons:

By this action, it would be acknowledged that there should be greater flexibility in allowed uses within a new land use designation, *although the zoning categories would remain distinct*. There may be greater ease of movement between zones, particularly between MP and BP, in recognition of the amount of overlap of uses now allowed in these zones. Individual applications for rezones of property would not be docketed as part of the annual Comprehensive Land Use Amendment Package, therefore would not have to “get in the queue” for their consideration and could be processed more quickly. This action recognizes the changing nature of work, especially with more computer based or technology industries that are now allowed in both BP and MP zoned areas. Further, this method tends toward the idea that the determination of appropriate land uses increasingly should be evaluated by their potential impacts, such as a “performance indicators” approach. There has been some precedent in consolidation of land use designations: the City accomplished this through the most recent Comprehensive Plan update in which the Low-Moderate Density Residential (R4 to R6) now encompasses a larger density range of from four to eight dwelling units per acre and is now designated Urban Residential.

While this could result in more quickly processing individual property owners’ requests for land use change, it results in a change from a Type VI process to a Type IV. A Type IV process is a quasi-judicial process, which requires Hearing Examiner review and recommendation to the City Council, who takes final action. Currently this type of application requires a processing fee, whereas the Type VI process for Comprehensive Plan amendments does not.

- The rezoning of land is another method for looking at particular areas of the City which may have changed in nature and may be more suitable for other types of land uses. The question may be, “are there areas of MP and/or BP that might function better within a different land use category? Instead of considering what should be permitted within specific zoning classifications that would extend through all areas of the City zoned BP or MP, this method may focus on certain geographically defined areas or portions of MP/BP zones that could warrant different treatment or additional flexibility. While this study does not currently contain any specific recommendations of this kind, it is one that may be further considered as a reasonable means of accomplishing the City’s land use goals. Both privately initiated applications for land use change as well as City initiated changes will require further identification and analysis, along with the assessment of possible environmental impacts.

2. Site Requirements

Another means to consider changing needs is to look at the nature of site requirements that one would anticipate with certain uses. Requirements for height, bulk, setbacks, parking, landscaping and others are identified for the building types and the allowed uses within these areas. Comprehensive Plan policy LU-51 states:

LU-51: Update periodically standards for minimum lot size and other site requirements for business parks and manufacturing parks to allow for efficient manufacturing development and operations both now and in the future.

This policy recognizes that business uses within these areas are dynamic and may require modifications to existing requirements to allow them to continue and grow. Along with possible expansion of permitted land uses, there will be the need to evaluate how different uses may require an updating of the site requirements chart for MP and/or BP areas. Specific changes to site requirements may help a company's ability to do business effectively within BP or MP areas; therefore, as needs become identified, the City may respond through amendments to the RCDG on an individual basis or by bundling several together (e.g. "minor code modifications").

One example of a proposed change to site requirements is that of the limitation of buildings to two stories in Manufacturing Park areas. RCDG 20C.60.25-020 indicates that in MP zones, the maximum height (in feet) for nonresidential buildings is 45 feet. Footnote 10 then states,

"Buildings not used exclusively for research and development, manufacturing, warehousing, or allowed light industrial uses shall not exceed two stories." This footnote restricts buildings to two stories if the proposed uses are not consistent with those outlined in the footnote. It is not clear how this provision would apply to speculative buildings built with more than two stories. An Administrative Interpretation was written in fall, 2007 for this situation:

Interpretation: For speculative buildings with more than two stories, one third of the square footage of the building must include those uses identified in footnote 10 (research and development, manufacturing, warehousing, or allowed light industrial uses)

Reasons: While footnote 10 restricts buildings to two stories if certain use criteria are not met, there is nothing in the code to prevent the speculative construction of buildings greater than two stories.

Because the height restriction is set at 45 feet, it is highly unlikely that a building higher than three stories would be built. Therefore most speculative buildings have been built to three stories.

The clarification was privately initiated, as it is consistent with the changes made to the Manufacturing Park designation in summer 2007, which allowed the location of corporate headquarters and regional offices in MP when associated with other permitted

uses. Software and Corporate Headquarters are not specifically mentioned in Footnote 10: the administrative interpretation describes the conditions under which these uses would be allowed relative to the number of floors in a building.

3. Transitions

Updates to the Redmond Development Guide have occurred recently to align regulations pertaining to transitions, noise standards, and notice, with Comprehensive Plan policy. The new regulations, along with Land Use policies LU-12 and LU-13 (see above) specifically address the support and protection of MP areas. LU-49 articulates further considerations for how to evaluate this issue:

LU-49: Separate manufacturing uses that create impacts from incompatible uses through techniques such as creation of buffers or zoning that enables transitions from more intensive to less intensive uses. Take into account during site plan review potential adverse impacts on manufacturing operations due to other proposed uses, as well as potential adverse impacts on nearby uses due to manufacturing operations.

One of the catalysts of the City's inquiry of Manufacturing Park areas in 2003 which resulted in The Urban Advisor's Report, was the question of locating residential uses next to Manufacturing Park areas. While the Urban Advisors report did not specifically recommend against residential uses adjacent to manufacturing, focus groups at the time expressed concern about the potential incompatibility of uses and the need to protect manufacturing's ability to thrive. Subsequent updates to land use policies in the Comprehensive Plan are now explicit about the need for the protection of existing uses. Combined with updates to requirements for Transition Overlay areas, the burden of accommodating potential adverse impacts of the existing land use must be borne by the new adjacent user through setbacks, extra noise reduction, and special notice.

The policy intention of maintaining and protecting Manufacturing Park areas is clear, and has been further supported by these recent regulatory actions. With pressure to broaden and possibly intensify uses within all or portions of BP and MP areas, there will be the challenge to both adhere to Comprehensive Plan and regulatory requirements while encouraging the balance of land uses within the City.

Next Steps

The issues described above have identified questions to consider when proposing changes to the Manufacturing Park and Business Park areas within the City. The Framework /Principles describe the context for the review of issues: they confirm

existing Comprehensive Plan policies as well as articulate comments received from the Planning Commission, City staff and the business community.

The variety of possible changes to MP and BP areas can be viewed as a continuum – from minor code revisions to modify site requirements, to broadening land uses within existing zones or the overall land use designation, to rezoning of specific areas. It is anticipated that business, property owner and public needs will be further explored and identified through this process. As additional information about needs is gathered, the methods of accomplishing any changes will also be considered, and will determine the required process of review and approval.

Several privately initiated requests for land use change that contain issues related to the study of MP and BP areas have been docketed for review as part of the 2007-2008 Comprehensive Plan Amendments package. In addition, there are requests for regulatory or text changes to the RCDG. Consideration of these are either underway, as they represent minor change, or will be reviewed within the context of the study if they represent more significant requests, such as a change to the Comprehensive Land Use designation and zoning for a property. Additional changes identified in the study will be subsequent to whatever recommendations are made as a result of the study, and appropriate actions for their review and approval will be determined.

Some of the recommendations for changes to MP and BP areas emanating from the study will be reviewed by the Planning Commission and City Council as formal requests for Development Guide Amendments. It is anticipated that Council adoption of minor revisions or the identification of other more complex Development Guide Amendments will occur in the summer of 2008. The timing for the review of these amendments will occur based upon their complexity, timeliness, and staffing resources available.