

## TECHNICAL COMMITTEE REPORT

**To:** Planning Commission

**From:** Technical Committee

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**Date:** June 3, 2009

**File Number:** L090221, L090223 (SEPA)

**Recommended Action:** Endorse the requested land-use designation change for 5.2 acres of land in Southeast Redmond from Design District to General Commercial, and a zoning designation change for the same land from Gateway Design District – Performance Area 3, to General Commercial.

**Reasons the Proposal  
Should be Adopted:**

- The properties within the proposal are relatively small and are not conducive to the types of uses envisioned for Gateway Design District 3.
- The proposal would allow greater flexibility in commercial uses and site design than the current Design District designation.
- The proposed extension of NE 70<sup>th</sup> Street between Redmond Way (State Route 202) and 180<sup>th</sup> Avenue NE will further bisect the 5.2 acre area, becoming less desirable for the larger commercial uses identified in the Gateway Design District.
- Gateway Design District 3 is visually distinct from Districts 1 and 2, with frontage on both Redmond Way and 180<sup>th</sup> Avenue N.E. The commercial uses allowed under the proposed General Commercial designation are compatible with other commercial uses located on Redmond Way in the immediate vicinity.

## **I. APPLICANT PROPOSAL**

### **A. APPLICANT**

Stuart Anderson.

### **B. BACKGROUND AND REASON FOR PROPOSAL**

The applicant and one other property owner own 5.2 acres in Southeast Redmond, located immediately northeast of Redmond Way and west of 180<sup>th</sup> Avenue NE. The land-use designation for the property is Design District; the zoning designation for the property is Gateway Design District – Performance Area 3 (GDD(3)). The applicant desires to change the land-use designation to General Commercial and the zoning designation to General Commercial.

The Gateway Design District was created in 1996 as part of a major update to the Redmond Community Development Guide. Prior to 1996 the area was designated for business park uses. The purpose of the Gateway Design District is to provide an area in Redmond for the location of: high-technology research, development, assembly, and warehousing; support services, service and professional offices; regional retail/wholesale and corporate headquarters and regional offices; and hotels/motels.

Since the creation of the Gateway Design District, the large parcels in Performance Areas 1 and 2 have been developed with regional retail uses such as Kohl's, Target, Fred Meyer, and Home Depot. The remaining four smaller parcels in Performance Areas 1 and 2 currently house a Montessori school, newspaper distribution center, and City of Redmond well. Performance areas 1 and 2 each encompass approximately 35 acres, or a total of 70 acres for the two areas combined.

Performance Area 3, the subject of this amendment, currently houses a rental center, small grocer, and coffee bar. There are also two vacant parcels that have been used for construction staging in the past. The adjacent properties to the north of this property include the tree preservation area for the Fred Meyer/Home Depot development and the Redmond Community Cemetery. The total area encompassed by the four properties within Design District 3 is 5.2 acres.

In addition, the proposed extension of N.E. 70<sup>th</sup> Street, which is on the Transportation Facilities Plan, will require the dedication of right-of-way across the subject properties in order to connect Redmond Way with 180<sup>th</sup> Avenue N.E. The street extension effectively bisects the properties, making them less conducive to uses anticipated within the Gateway Design District, such as corporate headquarters and large regional retail uses.

The purpose of this Comprehensive Plan amendment and zoning code amendment is to modify the existing comprehensive plan and zoning code, resulting in an expansion of the permitted retail and commercial uses within this planning area of the City.

The applicant's stated rationale for pursuing this Comprehensive Plan amendment is as follows:

*This proposed amendment recognizes that the remaining portion of GDD Area 3 is distinct in nature, is unsuitable for the larger commercial and office uses intended by the Design District Designation, and that it is better suited to locate a broader variety of smaller scale commercial uses.*

## **II. RECOMMENDATION**

The Technical Committee recommends the following:

- Change the land-use designation for 5.2 acres in the Southeast Redmond neighborhood from Design District to General Commercial; and,
- Change the zoning designation for the same land from Gateway Design District – Performance Area 3, to General Commercial

## **III. ALTERNATIVES**

1. Endorse the Technical Committee's recommendation in full.
2. Endorse none of the Technical Committee's recommendation in favor of no action or a separate action.

## **IV. SUPPORTING ANALYSIS: FACTS AND CONCLUSIONS**

### **A. EXISTING CONDITIONS**

The 5.2 acres that are subject to this amendment request are currently designated Design District and zoned Gateway Design District – Performance Area 3. Existing uses are described in section I.B of this report.

### **B. COMPLIANCE WITH CRITERIA FOR AMENDMENTS**

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

The proposed amendment is consistent with the GMA, CTED procedural criteria, VISION 2040, and King County Countywide Planning Policies. The proposal addresses:

- Goal 5 of the GMA: *Economic Development. Encourage economic development throughout the state that is consistent with adopted comprehensive*

*plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.*

- Policy DP-2 of VISION 2040: *Encourage efficient use of urban land by maximizing the development potential of existing urban lands, such as advancing development that achieves zoned density.*
- Policy FW-12 of Countywide Planning Policies: *The Urban Growth Area shall provide enough land to accommodate future urban development. Policies to phase the provision of urban services and to ensure efficient use of the growth capacity within the Urban Growth Area shall be instituted.*
- CTED procedural criteria: the City has complied with state law governing adoption of development regulations.

**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 most directly addresses the following goals:

*Emphasize choices in housing, transportation, stores and services.*

The proposed amendments will result in a land use designation and zoning that allows a wider variety of commercial uses, in addition to residential uses. Uses that are not allowed in GDD(3) but are allowed in GC and could be appropriate for the subject property include: housing, small-scale general merchandise, small grocers, pharmacies, drive-thru restaurants, brewpubs, and banks. Uses in General Commercial zones are well-suited for principal arterials like Redmond Way, and are often geared toward travelers and may tend to attract vehicle trips from market areas beyond surrounding neighborhoods.

*Maintain a strong and diverse economy, and provide a business climate that retains and attracts locally owned companies as well as internationally recognized corporations.*

The proposal would make the properties available for a wider variety of potential business tenants. Currently, the subject properties are underutilized. The northerly two parcels are vacant; the southerly parcel is developed with a small grocer at an

FAR of 0.27; and the remaining parcel is developed with a rental center at an FAR of 0.15. Allowed FAR for non-regional retail/wholesale uses in GDD(3) is 0.5.

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

Comprehensive Plan Policy FW-10 describes Redmond’s preferred land-use pattern. In particular, it directs the City to, “Encourage redevelopment of properties that are underutilized.” It also directs the City to focus office, housing, and retail development in the Downtown and Overlake Urban Centers. Note, however, that the General Commercial zone is *specifically* geared toward uses not appropriate for Redmond’s urban centers.

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

The proposal is consistent with the following Comprehensive Plan policies related to Community Character:

- FW-36: *Ensure that building and site design maintain and enhance Redmond’s character, retain identities unique to neighborhoods and districts, and create places that are high-quality, attractive, and inviting to people.*
- FW-38: *Retain and attract small- to medium-sized and locally owned businesses in Redmond to offer distinctive goods and services.*

All developments that occur under the new zoning would be reviewed by Redmond’s Design Review Board, ensuring that all new development meets citywide design standards. Further, the proposal would broaden the base of potential tenants, which are likely to include small- to medium-sized businesses (because of the property’s size) and may include locally-owned businesses.

**d. RCDG Section 20F.40.60 specifies that amendments to the Redmond Community Development Guide that are subject to a Type VI process, be reviewed subject to criteria. For a Type VI process, an amendment to the RCDG must conform to the Redmond Comprehensive Plan. The following is an analysis of how this proposal conforms to relevant Comprehensive Plan policies.**

*FW-16: Maintain a strong and diverse economy and tax base that provide a variety of job opportunities, support the provision of excellent local services and public education, and keep pace with economic and demographic change.*

As noted, the proposal broadens the potential tenant base of the subject properties, helping to achieve this policy objective.

*FW-17: Maintain and enhance a broad variety of retail and service business choices that meet the needs of the greater Redmond community.*

**Policy LU-42. General Commercial Designation.**

**Purpose.** *Provide for retail and service businesses that serve community needs and are better suited for locations outside of the Downtown or Neighborhood Commercial zones. Examples of these businesses include retail uses that may have some adverse impacts if located close to primarily residential neighborhoods or other commercial uses, uses that are land extensive, uses that tend to attract vehicle trips from market areas beyond surrounding neighborhoods, and activities that involve wholesale commercial uses.*

**Allowed Uses.** *Implement this designation through the General Commercial zone. Permit in the General Commercial zone retail uses that require large sites, such as large box retail, vehicle sales and service, mini-warehouses, rental services, wholesale uses, and other uses consistent with this designation. Also permit multi-family residences, located in either mixed-use structures or single-use structures that are part of a mixed-use development.*

General Commercial uses can include a variety of retail and service businesses that can serve both neighborhood and citywide needs. For example, the General Commercial zone directly across Redmond Way from the subject property includes a large grocery store, other smaller retail stores and restaurants and a coffee shop. Large grocers draw from large portions of cities, while smaller restaurants and coffee shops tend to draw from a more localized area.

*CC3: Maintain the Downtown as a primary identifying feature in Redmond, setting it apart from the rest of the City through control of such characteristics as height, scale, and intensity*

This proposal does not diminish Downtown as the primary identifying feature in Redmond. The proposed zone is designed to include uses that are not appropriate in Downtown.

*LU-3: Allow new development only where adequate public facilities and services can be provided*

Urban services provided by the City and by franchise utilities are available within the subject area. The property is located on and near Redmond Way, Redmond's principal east-west arterial.

*LU-5: Encourage infill development on suitable vacant parcels that may have been passed over and redevelopment of underutilized parcels. Ensure that the height, bulk, and design of infill and redevelopment projects are compatible with their surroundings*

This proposal would encourage infill development on underutilized land. While the subject area is not adjacent to any residential development, General Commercial zone standards require landscaping between incompatible uses.

*LU-10: Promote compatibility between land uses by minimizing adverse impacts on the lower intensity or more sensitive uses.*

As noted above, the subject property is not near residential development. The maximum allowed height in the General Commercial zone is *lower* than in the Gateway Design District. If TDRs are used, the height limit in the proposed GC zone may be five feet higher than in the existing GDD(3) zone, which does not permit the use of TDRs for additional height.

<b>Site Requirement Standard</b>	<b>GDD(3)</b>	<b>GC</b>
Minimum Lot Frontage (feet)	No req.	30
Minimum Building Front, and All Street Setbacks (feet)	varies	10
Minimum Building Rear Setbacks (feet)	35/20	0
Minimum Building Side Setbacks (feet)	35/20	0
Maximum Lot Coverage of Structures and Other Impervious Surfaces	.35	75%
Maximum Height (feet) for Non-Residential Buildings	3 stories or 40', whichever is greater	2 stories or 35', whichever is less
TDRs for Additional Height	No	Yes, May increase by one story
Maximum Height (feet) for Mixed Use Buildings that include Residential Uses in at least Two Floors where allowed (mixed-use in GC)	No residential, hotel/motel only	3 stories or 45', whichever is less
Maximum Floor Area Ratio without TDRs for Non-Residential Uses	0.50	0.35
Maximum Floor Area Ratio with TDRs for Non-Residential Uses	0.60	0.7

Site Requirement Standard	GDD(3)	GC
Maximum Floor Area Ratio without TDRs for Residential Uses (mixed-use in GC)	N/A	0.8
Maximum Floor Area Ratio with TDRs for Residential Uses (mixed-use in GC)	N/A	0.9

*HO-16: Prohibit any rezone that results in a reduction in residential capacity without first approving another rezone or rezones resulting in at least a replacement of the lost residential capacity elsewhere in the City.*

The proposal results in a net potential increase in housing capacity, including a requirement to make 10% of all units in developments of ten or more units affordable to families earning up to 80% of area median income. Residential uses within mixed use buildings are allowed in General Commercial (GC), but are not allowed under the current Design District designation.

*HO-17: Ensure an appropriate supply and mix of housing and affordability levels to meet the needs of people who work and desire to live in Redmond, especially near existing and planned employment centers such as Downtown Redmond, Overlake, and SE Redmond.*

The proposal provides opportunities for multi-family housing in the Southeast Redmond neighborhood.

**3. Potential general impacts to the natural environment, such as impacts to critical areas and other natural resources.**

The proposal would not likely increase impacts to the natural environment or other natural resources within Gateway Design District 3. The site does not contain any critical areas and is currently developed with a variety of commercial and retail uses.

**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 subject properties are located in an area that is currently served by all public utilities and by the City’s transportation network. The site is currently designated as Design District, which allows regional and corporate headquarters, hotels and motels and larger retail uses. As such, the potential impacts of these allowed uses have been considered in the planning for adequate public facilities and services. The potential impacts from a change in land use designation to General Commercial would not be dissimilar from the existing designation and zoning.

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

Economic impacts to business. The proposal is adjacent to an area across Redmond Way that is designated General Commercial and is near to Gateway Design District 1

and 2 uses. Uses allowed within the General Commercial designation would be similar to those allowed in Gateway Design District 3, but allow for some housing and more variety of commercial uses. Therefore, general economic impacts from the proposed General Commercial designation and zoning would be similar to those of the existing Gateway Design District 3 zone.

Economic impacts to residents. In residential developments that employ green building and natural stormwater management techniques, residents may save on yard maintenance, energy bills, and stormwater fees. Residents who rent may save indirectly on these items, if there is a residential use developed.

Economic impacts to property owners. The economic impacts to property owners would be the additional flexibility in marketing the properties as a result of the General Commercial designation. Due to the smaller size of the properties and with the extension of NE 70<sup>th</sup> Street through the area, the General Commercial designation offers more variety in land use options, for example, housing is allowed in GC, and not within GDD(3). In addition, General Commercial allows greater flexibility in site requirements (setbacks, ability to have drive-through uses) and the use of Transfer of Development Rights (TDRs) to gain additional height, for example.

Economic impacts to City government. Impacts to the City of Redmond with the proposal would likely be similar to the existing land use designation of Design District.

- 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.**

N/A – this has not been considered in the past four years.

## **V. AUTHORITY AND ENVIRONMENTAL, PUBLIC AND AGENCY REVIEW**

### **A. Process to Amend the Redmond Community Development Guide**

RCDG Sections 20F.30.15 and 20F.30.55 require that amendments to the Comprehensive Plan and text amendments to the Redmond Community Development Guide 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 map amendment to the Redmond Community Development Guide.

**C. Washington State Environmental Policy Act (SEPA)**

A SEPA determination of non-significance will be issued on June 17, 2009.

**D. 60-Day State Agency Review**

State agencies were sent 60-day notice of this proposed amendment on June 2, 2009.

**E. Public Involvement**

A Planning Commission public hearing is scheduled for June 24, 2009. A public notice was published in the Seattle Times on June 3, 2009. In addition, notice was sent to property owners within 500 feet of the subject parcels. Two Major Land Use Action signs were posted: one fronting Redmond Way and the other on 180<sup>th</sup> Avenue N.E.

**F. Appeals**

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 board's requirements.

**VI. LIST OF EXHIBITS**

**Exhibit A: Subject Site**

**Exhibit B: Proposed Comprehensive Land Use Map**

**Exhibit C: Proposed Zoning Map**

**Exhibit D: SEPA Checklist**

**Exhibit E: Comprehensive Plan Amendment Application**

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Robert G. Odle, Planning Director

Date

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William J. Campbell, Public Works Director

Date