

NEW INCENTIVES PACKAGE



TESTING PHASE
Nov/Dec 2022

TESTING PHASE FOR CODE REVISIONS

Updates to the Redmond Zoning Code and Redmond Municipal Code will be required to implement the updated Comprehensive Plan. Over November and December of 2022, staff will be testing code update concepts with community stakeholders.

Enclosed you will find the proposed concept(s) for the update and the existing code language. Staff will be holding open houses and a virtual workshop to discuss these changes and other code updates proposed (see Redmond Zoning Code Rewrite information at <https://www.letsconnectredmond.com/rzcrewrite>) on the following dates:

- **Open Houses at City Hall** - drop in as time allows
 - November 30, from noon to 1:00 p.m.
 - December 1, from 5:30 to 7:00 p.m.
 - December 7, from 4:30 to 6:00 p.m.
- **Virtual Technical Testing** on TEAMS, December 5, from 2:30 to 4:00 p.m., to work with staff while exploring development scenarios based on draft code. (Register for this hands-on event by emailing Principal Planner Kimberly Dietz at kdietz@redmond.gov.)

The amendments are in draft form; your feedback will help staff ensure the code's accuracy and ease of use. The City Council's action is anticipated during Q3-Q4 2023.

Please provide feedback to the staff contact for this update:

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CODE UPDATE TIMELINE:

- Nov-Dec 2022 Finalize Draft Proposals
 Testing Phase / Review
- Jan-Feb 2023 Finalizing Code Amendments
- Spring 2023 Planning Commission Review
 Public Hearing
- Summer 2023 City Council Review
- **Summer/Fall 2023 Adoption**

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PART ONE: SUMMARY OF PROPOSED CHANGES

The Incentive Package for Overlake will be based on categories and points. The new structure will require a minimum number of points from each category to achieve progress on multiple community priorities. There will also be a minimum number of total points required, where the combined total is greater than the total of each category minimums. This would allow applicant discretion in choosing what best fits their project goals.

The program will be incremental and iterative. The more points earned, the more incentives earned. Additional incentives may be added over time, as some programs will take a little longer to work through the details and as we learn what works and what doesn't.

Goals:

- Make progress on multiple community priorities
- Implement vision for Overlake
- Consolidate and simplify
- Maximize TOD opportunities near light rail stations
- Pilot for future city-wide code updates (points-based structure, consolidation, focus on outcomes)

Related Resources

Staff provided a high-level overview of the Overlake code updates at the September 28, 2022 Planning Commission meeting, including the priorities and principles and the general changes that will take place.

- [Presentation](#)
- [Video](#)

PART TWO: FEEDBACK NEEDED

The proposed changes include an expanded list of the **types of features that earn incentives** and a **preliminary weighting** that would indicate which items would achieve higher points than others. We need feedback on both, and which items you would most likely utilize in new developments. Additionally, feedback on the **types of incentives earned** by developers would be helpful.

PLEASE NOTE: Additional work is needed to fine tune this list and determine the points to be assigned to each. Your feedback will be used to do this finalization. We will also work to evaluate the financial impacts to developers.

PART THREE: PROPOSED UPDATE

(Note: these are preliminary concepts)

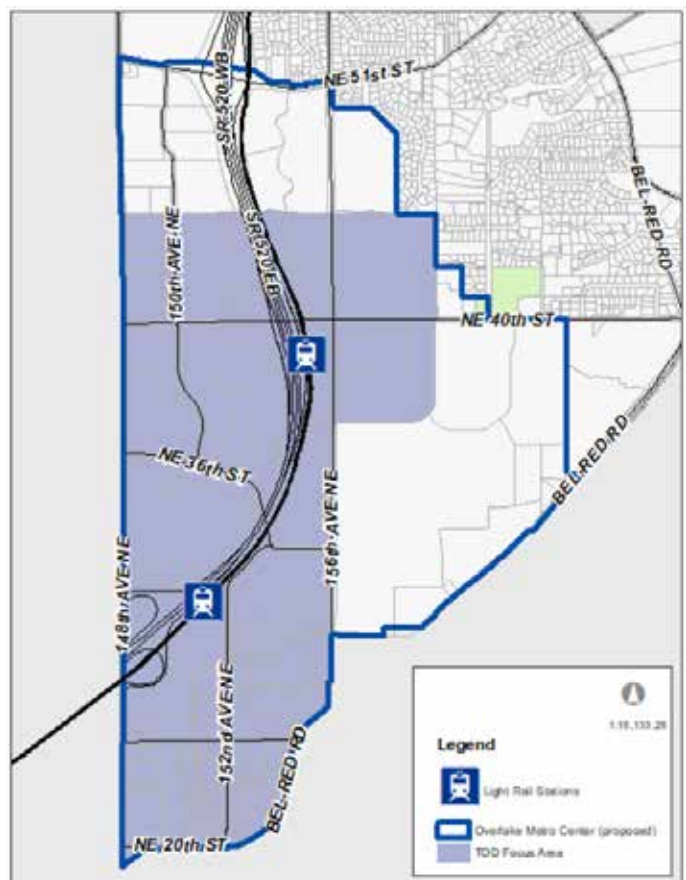
Purpose.

The purpose of this section is to enhance the character and overall livability of Overlake Metro Center. The incentive program does this by incentivizing features that implement neighborhood goals and respond to needs for public amenities, equitable and affordable housing opportunities, and environmental sustainability. The incentive program reduces the cost of these features by allowing increased building height and floor area, as well as additional permitted uses. This section also identifies the City's priorities for provision of these desired features.

Features and Incentives.

PLEASE NOTE:

- In the table below staff has added notes on preliminary thoughts related to weighting: L = Low Priority (fewest points), M = Medium, H = High, VH = Very High Priority (most points).
- All incentives will be for features that are above the minimum requirements. Meeting the minimum city, state, and federal requirements will not result in any points within the incentive program.
- Some items are shown as mandatory. For these items, the applicant would verify that they are included, but no points would be awarded (not including those items would preclude use of the incentive program).
- Staff is reviewing a way to provide bonus points for groups of incentives that work well together. For example, several features that help enhance a family-friendly neighborhood (family sized units, play spaces, etc.) could be awarded bonus points to recognize how the benefits can be exponential. Input on this idea is welcome.
- The incentive program is broken into two tiers. Tier 1 is for all properties within the Overlake Metro Center that are not near the light rail stations. Tier 2 is for properties within the Transit-Oriented Development (TOD) Focus Area, which is intended to maximize opportunities for TOD near the stations (see map at right).



STEP ONE: LOCATION BONUS

LOCATION BONUS ELIGIBILITY

Check Tier 2 ONLY if the within the bonus areas mapped in RZC ____.

Tier 1

Tier 2 - TOD Focus Area

STEP TWO: INDICATE CATEGORY POINT OPTION SELECTIONS

Check Tier 2 point options ONLY if eligible per step one above.

CATEGORY A: AFFORDABLE HOUSING

OPTIONS (choose one or more)		Tier 1	Tier 2
A1	<p>Quantity of Units at or Below 30% Area Median Income</p> <p>Total number of Housing Units: _____</p> <p>Total units at or below 30% AMI: _____ / _____ %</p> <p><input type="radio"/> 1% mandatory at minimum</p> <p><input type="radio"/> 2 - 3% of units = xx points</p> <p><input type="radio"/> 4 - 5% of units = xx points</p> <p><input type="radio"/> +5% of units = xx points</p>	<p>Highly Valued (more than for 50% AMI) x2.5 of 50%</p> <p><input type="radio"/> H</p> <p><input type="radio"/> H</p> <p><input type="radio"/> VH</p>	<input type="radio"/>
A2	<p>Quantity of Units 31% to 50% Area Median Income</p> <p>Total number of Housing Units: _____</p> <p>Total units at 31 - 50% AMI: _____ / _____ %</p> <p><input type="radio"/> 5 - 9% of units = xx points</p> <p><input type="radio"/> 10 - 14% of units = xx points</p> <p><input type="radio"/> +15% of units = xx points</p>	<p><input type="radio"/> M</p> <p><input type="radio"/> M</p> <p><input type="radio"/> H</p>	<input type="radio"/>
A3	100% Affordable Housing (cost controlled at 80% AMI or less)	<input type="radio"/> H	<input type="radio"/>
A4	<p>Quantity of Family Size Units (3 bedroom, 1.5 bath)</p> <p>Total number of Housing Units: _____</p> <p>Total family sized units: _____ / _____ %</p> <p><input type="radio"/> 10 - 15% of units = xx points</p> <p><input type="radio"/> +15% of units = xx points</p>	<p>Second most valued (after 30%)</p> <p><input type="radio"/> H</p> <p><input type="radio"/> VH</p>	<input type="radio"/>
SUBTOTAL OF AFFORDABLE HOUSING OPTIONS: MINIMUM			
CATEGORY B: INCLUSIVE / UNIVERSAL COMMUNITY FEATURES			
OPTIONS (choose one or more)		Tier 1	Tier 2
B1	<p>ADA Housing Units (above minimum ADA standards)</p> <p>Total number of Housing Units: _____</p> <p>Total units meeting all ADA requirements: _____ / _____ % (must be above ADA requirements)</p> <p><input type="radio"/> 5 - 9% of units = xx points</p> <p><input type="radio"/> 10 - 25% of units = xx points</p> <p><input type="radio"/> +25% of units = xx points</p>	<input type="radio"/>	<input type="radio"/>

B2	<p>Inclusive Housing Features / Visitable Housing Units</p> <p>Total number of Housing Units: _____</p> <p>Total units meeting all Visitability Checklist items: _____ / _____ %</p> <p>(must be above ADA requirements)</p> <ul style="list-style-type: none"> <input type="radio"/> 5 - 9% of units = xx points <input type="radio"/> 10 - 25% of units = xx points <input type="radio"/> 25 - 50% of units = xx points <input type="radio"/> +50% of units = xx points 	ÿ	ÿ
B3	Universal/Inclusive Design Features ¹ in Building (see checklist)	ÿ	ÿ
B4	Universal/Inclusive Design Features in Site (see checklist)	ÿ	ÿ
B5	Universal/Inclusive Design Features in Residential Buildings (if applicable, see checklist)	ÿ	ÿ
B6	<p>Housing units designated as IDD units² (min of half are affordable at or below 80% AMI)</p> <ul style="list-style-type: none"> <input type="radio"/> 1 - 5 % of units = xx points <input type="radio"/> 6% or more of units = xx points 	ÿ	ÿ
B7	<p>Anti-Displacement / Relocation Provisions</p> <ul style="list-style-type: none"> <input type="radio"/> Partnership Agreement, Memorandum of Understanding, and/or Development Agreement with the City, OneRedmond, or other local non-profit to provide 10% or more of non-residential space for small and/or affordable commercial spaces, with a commitment for affordability for: <ul style="list-style-type: none"> <input type="radio"/> 5 - 9 years <input type="radio"/> 10+ years <input type="radio"/> In perpetuity / Life of building <input type="radio"/> Phasing site development in such a way that allows existing residents/businesses to stay on site by strategically developing site to keep existing businesses open during construction of a new building and ultimately remain in same development. <input type="radio"/> Relocation package offering financial assistance to existing residents/businesses to off-set the cost of moving and/or tenant improvements for new business location. <input type="radio"/> First right of refusal for new spaces given to existing residents/businesses 	ÿ	ÿ
SUBTOTAL OF INCLUSIVE DESIGN OPTIONS: _____ MINIMUM			

¹ A checklist of eligible features will be provided. Applicants will identify which features were selected to inclusion in the project.

² Housing units for individuals with Intellectual and/or Developmental Disabilities (IDD) was a need identified in the visioning phase of Redmond 2050. Housing units set aside for IDD adults or families with IDD children will be eligible. A Partnership Agreement, Memorandum of Understanding, or similar document will be required to show the unit will be maintained for a minimum of 10 years.

CATEGORY C: OPEN SPACE AND AMENITIES			
OPTIONS (choose one or more)		Tier 1	Tier 2
C1	Community Garden <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points	ÿ L ÿ M ÿ H	ÿ L ÿ M ÿ H
C2	Play space <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Inclusive play space <input type="checkbox"/> Co-location with family size units = xx points H	ÿ L ÿ M ÿ H	ÿ L ÿ M ÿ H
C3	Off-leash dog parks <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points	ÿ L ÿ M ÿ H	ÿ L ÿ M ÿ H
C4	Water features <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points <input type="checkbox"/> Square footage = xx points	ÿ L ÿ M ÿ H	ÿ L ÿ M ÿ H
C5	Shade structures	ÿ	ÿ
C6	Pilot Projects <input type="checkbox"/> Podium/Rooftop Public Park <input type="checkbox"/> Urban foraging space	ÿ VH	ÿ VH
SUBTOTAL OF OPEN SPACE OPTIONS: ___ MINIMUM			
CATEGORY: PUBLIC SERVICES			
OPTIONS (choose one or more)		Tier 1	Tier 2
D1	City Hall outpost	ÿ H	ÿ H
D2	Co-location agreement with School District(s)	ÿ H	ÿ H
D3	Co-location agreement with social services or other non-profit (with affordable commercial package)	ÿ VH	ÿ VH
D4	Emergency Management Staging/Storage	ÿ H	ÿ H
D5	Community Center Space <input type="checkbox"/> XXX sq ft <input type="checkbox"/> XXX sq ft	ÿ M ÿ VH	ÿ H ÿ VH
SUBTOTAL OF PUBLIC SERVICES OPTIONS: X MINIMUM			
CATEGORY: GREEN BUILDING			
OPTIONS (choose one or more)		Tier 1	Tier 2

E1	Projects shall be all electric, including electric space and water heating. Exceptions from this requirement are permitted for emergency and standby power generators and gas commercial cooking appliances, provided a corresponding and appropriately sized electrical outlet and all related infrastructure for electrical commercial cooking appliances are provided.	ÿ Minimum Requirement	ÿ Minimum Requirement
E2	Achieve any Green Building Certification that requires a modeled site Energy Use Intensity (EUI) to one of the thresholds as outlined below. Please reference the RZC 21.67 for specific EUI thresholds by building use type below. <ul style="list-style-type: none"> ○ Modeled EUI: 20; Demonstrated EUI post occupancy of ≤ 23 ○ Modeled EUI: 17; Demonstrated EUI post occupancy of ≤ 19.5 	ÿ Minimum Requirement	ÿ Minimum Requirement
E3	Achieve Salmon-Safe Urban Standard v3.0 certification	ÿ L	ÿ L
E4	Retain 40% of the significant trees on the site, in accordance with RZC 21.72.	ÿ L	ÿ L
E5	Infiltrate at least 90% of the roof area runoff, or approved alternative pathway, in accordance with the Redmond Stormwater Technical Notebook or pursue an alternative pathway approved by the Public Works Director.	ÿ Minimum Requirement	ÿ Minimum Requirement
E6	Materials Reuse and/or Recycling <ul style="list-style-type: none"> ○ Deconstruct existing facilities ○ Demonstrated recovery, reuse, or recycling of >90% of construction and demolition materials 	ÿ VH ÿ H	ÿ VH ÿ H
E7	Earn Green Lease Leaders certification <ul style="list-style-type: none"> ○ Silver ○ Gold 	ÿ H ÿ VH	ÿ H ÿ VH
E8	Demonstrate purchase/contract of local renewable energy (within Washington state) for 100% of modeled energy. Contract must extend at least five years.	ÿ L	ÿ L
E9	Demonstrate compliance with Clean Buildings Performance Standard ≤ 24 mo. before deadline for buildings 20,000 SF and above.	ÿ L	ÿ L
E10	Share energy benchmarking data with City through EPA Portfolio Manager	Minimum Requirement	ÿ Minimum Requirement
SUBTOTAL OF PUBLIC SERVICES OPTIONS: X MINIMUM			
CATEGORY: BUILDING SITE, FORM, USES			
OPTIONS (choose one or more)		Tier 1	Tier 2
F1	Public Art	ÿ M	ÿ
F2	Overlake International District contributing features	ÿ M	ÿ
F3	Permanently Installed Public Realm amenities <ul style="list-style-type: none"> ○ Sensory/rest area out of the path of travel ○ Covered seating ○ Publicly accessible activated spaces (chess tables, etc.) 	ÿ H	ÿ
F4	Subterranean Parking or Combination Subterranean and Wrapped Structured Parking (no new surface parking lots)	ÿ M	ÿ
F5	Hotel & Conference Center, full service	ÿ L	ÿ
F6	Cultural or Performance Art Center	ÿ VH	ÿ

F7	Publicly accessible/reservable performance art spaces (indoors or covered outdoor space)	ÿ H	ÿ
F8	Commercial Kitchen and Food Court or similar uses allowing micro food and retail (farmers market, etc.)	ÿ VH	ÿ
F9	Childcare Facilities	ÿ M	ÿ
F10	Watershed protection or enhancement	ÿ VH	ÿ
F11	Regional Stormwater Management Facility	ÿ VH	ÿ
SUBTOTAL OF PUBLIC SERVICES OPTIONS: _____ MINIMUM			
STEP THREE: TOTAL POINTS REQUESTED			
Add together all the category subtotals from your selections above			
TOTAL POINTS REQUESTED: XXX MINIMUM			

Incentives Earned.

Table 21.12.600.C	
Points Earned	Incentives Available
XXX (Minimum)	FAR & Height increases to XXX
XXX - XXX	FAR & Height increases to XXX
XXX - XXX	FAR & Height increases to XXX XXX incentive items not counted towards FAR and Height maximums
XXX - XXX	All of the above plus may add on development rights through the Transfer of Development Rights (TDR) program
XXX - XXX	All of the above except that FAR and Height restrictions shall no longer apply

NOTE: For housing units added due to the affordable housing incentive points earned, the new units may be market rate and do not cause a recalculation of the % affordable for the purpose of incentive points.

PART FOUR: EXISTING CODE

- [RZC 21.12.170, OV Incentive Program](#)