



March 9, 2015

Kirkland Planning Commission
123 Fifth Avenue
Kirkland, WA 98033

Re: MRM Private Amendment Request (PAR)

Dear Commissioners:

Thank you for your renewed consideration of the MRM Private Amendment Request (PAR). A lot of water has gone under the bridge since your last review of this request. Most importantly, of course, the revised Parkplace proposal has been reviewed and approved by the City.

In the context of the Commission's review of the Parkplace proposal, as well as the public comments on our proposal, it has become clear that there is substantial concern about the proposed height increase to eight stories.

In that light, we have decided to amend our proposal to eliminate the height increase request. Currently the allowed zoning code height is 67 feet. It would be necessary only to clarify the Comprehensive Plan policy to be consistent with the existing zoning code height limit.

We do continue to request approval of the PAR to allow housing as a primary use on the site.

The January 16, 2015 BERK memorandum prepared for the City states very well the benefits of residential development as a key component of a 24-hour downtown community:

Residential uses in a city core have value since such uses support more services, retail, and a 24-hour environment that is more productive for commercial uses generally. Each development proposal will weigh the value and requirements of each type of use – residential, retail, and office. **Considering that presently the incremental value of residential is likely higher than office, the effect of not doing residential would not necessarily be a greater amount of office.** Having less residential and office uses may also alter the amount of retail proposed. **Residents are attracted to well-designed mixed use places for a walkable and convenient lifestyle, and such households are important to contributing to a healthy customer base for retail uses** The vibrancy of the retail can in turn help attract office uses. Office employees can then reinforce retail uses on site. (emphasis added)

As Berk states, residential uses are critical to support retail uses, and retail can in turn attract office uses. The three types of uses are in synergy, not in competition. Moreover, as Berk also points out, the idea of “saving” land for commercial uses may just as likely lead not only to the loss of the residential use, but no commercial use either. Land that could profitably be developed, and contribute to the health of the downtown core, could lie fallow, contributing to no one. This is particularly the case here. The revised Parkplace proposal, with its 650,000 square feet of planned office space, is likely to be the site with the critical mass to absorb office demand in this sub-market for the foreseeable future. Denying residential uses on our site will likely consign it to under-development for years to come.

Approving our proposal will not only yield the benefits of additional residential development downtown. But, as committed to in 2014, if the PAR is approved, we will agree to provide the following public benefits:

- Affordable workforce housing component (currently not required in CBD).
- Build to equivalent of LEED-Silver (to the best of our knowledge, no completed building to date in CBD has been required to be constructed to this standard).
- Minimum 9,000 square feet anchor retailer (not currently required by Land Use Code).
- Public art, minimum \$10,000 in value (not currently required by Land Use Code).
- Public open space (not currently required by Land Use Code).
- Enhanced public access to PAC, Teen Center, Peter Kirk Park and Park Place (not currently required by Land Use Code).
- More detailed design guidelines than those currently in place in City Code.

We appreciate your consideration of this request, and stand ready to answer any questions you may have.

Sincerely,



Joe Razore
MRM Kirkland, LLC