



**CITY OF KIRKLAND**  
**Planning and Community Development Department**  
123 Fifth Avenue, Kirkland, WA 98033 425.587-3225  
[www.kirklandwa.gov](http://www.kirklandwa.gov)

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## MEMORANDUM

**To:** Planning Commission

**From:** Angela Ruggeri, AICP, Senior Planner  
Paul Stewart, AICP, Deputy Director

**Date:** February 21, 2013

**Subject:** MRM PRIVATE AMENDMENT REQUEST (PAR)  
FILE ZON11-00006

### **RECOMMENDATION**

Review and provide direction to staff on the MRM PAR request and study area. The proposal is to amend the Comprehensive Plan and Zoning to increase height from the current 3-5 story maximum to 8 stories and to allow additional residential uses on the entire site. The existing zoning only allows residential uses within 170' of Peter Kirk Park and limits total residential to 12.5% of the gross floor area of the development.

### **BACKGROUND DISCUSSION**

The City Council has directed staff to study this proposed amendment to the Comprehensive Plan and Zoning Code for CBD 5. The amendment would allow increased height and residential uses for the parcel at 434 Kirkland Way in the Moss Bay Neighborhood (see Attachment 1). The property was originally the old Kirkland Hardware site, but the building is currently being used as offices. There are also office uses to the east of the site. Parkplace is to the north, Peter Kirk Park is to the west and there are multifamily residential and office uses to the south.

The original private amendment request was made in 2011. Through the threshold review process at that time, the Planning Commission recommended that the PAR be considered in 2012 if staff resources were available. The majority of the Planning Commission felt that there was merit in considering the proposal because of its proximity to Parkplace and the need for residential development that would occur with the increased number of employees resulting from the potential redevelopment of Parkplace. The Commission also discussed including all CBD 5 properties in the study of the PAR when it occurred. The City Council agreed with the Planning Commission's recommendation to consider the proposed PAR in 2012. There was not staff available to do the study in 2012 and so the project was moved to 2013.

### **Existing Conditions**

Information on existing conditions was taken from the King County Department of Assessments webpage and is included below for the site and surrounding area. Parcels are numbered to match the map shown as Attachment 2. Properties within CBD 5 are highlighted in yellow. An aerial photo of the area is also included as Attachment 3.

**SITE: 424 Kirkland Way**



Year Built	1964
Building Net Square Footage	21,258
Construction Class	MASONRY
Building Quality	GOOD/EXCELLENT
Lot Size	74,200 (1.7 acres)
Present Use	Office Building
Zoning	<b>CBD 5</b>
Allowed Uses	Office, Commercial, Limited Residential

**Parcel #1: Parkplace**



Year Built	1982
Building Net Square Footage	238,400
Construction Class	WOOD FRAME
Building Quality	AVERAGE
Lot Size	482,143 (11.07 acres)
Present Use	Shopping Center (Community)
Zoning	CBD 5A
Allowed Uses	Office, Commercial, Limited Residential

**Parcel #2: Emerald Office Building**



Year Built	1995
Building Net Square Footage	47,623
Construction Class	REINFORCED CONCRETE
Building Quality	GOOD
Lot Size	59,375 (1.36 acres)
Present Use	Office Building
Zoning	<b>CBD 5</b>
Allowed Uses	Office & Commercial

**Parcel #3: Continental Plaza Office**



Year Built	1990
Building Net Square Footage	75,753
Construction Class	REINFORCED CONCRETE
Building Quality	GOOD
Lot Size	73,180 (1.68 acres)
Present Use	Office Building
Zoning	<b>CBD 5</b>
Allowed Uses	Office & Commercial

**Parcel #4: 570 Office Building**



Year Built	1990
Building Net Square Footage	11,700
Construction Class	REINFORCED CONCRETE
Building Quality	GOOD
Lot Size	18,064
Present Use	Office Building
Zoning	<b>CBD 5</b>
Allowed Uses	Office, Commercial & Residential

**Parcel #5: Watermark Apartments**



Year Built	1997
Bldg. Net Sq. Ft.	57,192
Construction Class	WOOD FRAME
Building Quality	AVERAGE/GOOD
Lot Size	35,428
Present Use	Apartment
Zoning	<b>CBD 5</b>
Allowed Uses	Office, Commercial & Residential

Parcel #6: Hart Office Building



Year Built	1951
Building Net Square Footage	1416
Construction Class	WOOD FRAME
Building Quality	LOW COST
Lot Size	17,692
Present Use	Office Building
Zoning	PLA 5C
Allowed Uses	Office & Residential

Parcel #7: 620 Office Building



Year Built	1990
Building Net Square Footage	19,800
Construction Class	WOOD FRAME
Building Quality	AVERAGE/GOOD
Lot Size	40,214
Present Use	Office Building
Zoning	PLA 5B
Allowed Uses	Office & Residential

Parcel #8: Residential



Year Built	1999
Total Square Footage	2,047
Number Of Baths	2.50
Condition	Average
Lot Size	3,173
Zoning	RM 3.6
Allowed Uses	Residential & Limited Commercial

Parcel #9: Residential



Year Built	1929
Total Square Footage	1,540
Number Of Bedrooms	3
Number Of Baths	1.00
Condition	Average
Lot Size	19,440
Zoning	RM 2.4
Allowed Uses	Residential & Limited Commercial

Parcel #10: Multifamily Residential



Year Built	1987
Construction Class	WOOD FRAME
Building Quality	GOOD
# of buildings	1
# of units	14
Lot Size	29,680
Present Use	Condominium
Zoning	RM 2.4
Allowed Uses	Residential & Limited Commercial

Parcel #11: Waverly Park Office Building



Year Built	1981
Building Net Square Footage	11,808
Construction Class	WOOD FRAME
Building Quality	GOOD
Lot Size	31,624
Present Use	Office Building
Zoning	PR 2.4
Allowed Uses	Office, Commercial & Residential

Parcel #12: Office Building



Year Built	1978
Building Net Square Feet	2,414
Construction Class	MASONRY
Building Quality	AVERAGE
Lot Size	4,752
Present Use	Office Building
Zoning	PR 2.4
Allowed Uses	Office, Commercial & Residential

Parcel #13: Multifamily Residential



Year Built	1982
Construction Class	WOOD FRAME
Building Quality	AVERAGE/GOOD
#of buildings	2
# of units	41
Lot Size	83,640
Present Use	Condominium
Zoning	CBD 3 / PLA 6J
Allowed Uses	Residential, Office & Commercial

Parcel #14: The Boulevard



Year Built	2006
Construction Class	PREFAB STEEL
Building Quality	GOOD
# of buildings	1
# of units	119
Lot Size	72,000
Present Use	Condominium (Mixed Use)
Zoning	CBD 3
Allowed Uses	Residential, Office & Commercial

Parcel #15: Peter Kirk Park



Year Built	1965
Building Net Square Footage	9800
Construction Class	MASONRY
Building Quality	GOOD
Lot Size	543,629
Present Use	Governmental Service
Zoning	P
Allowed Uses	Park & Government & Community Facilities

**Study Area**

Staff is proposing that the full CBD 5 zone be studied (see Attachment 1), rather than just the MRM property. Although development potential appears to be limited in the CBD 5 zone, staff feels that a comprehensive look at all properties in the zone will be valuable in considering both the height and residential use requests.

A letter from Brent Carson, who represents Davidson, Serles and Associates, the owners of the Emerald Building (Parcel #2) is included as Attachment #4. Mr. Carson suggests that the study area for increased residential use should include all of the East Core Frame outlined in the Comprehensive Plan (see Attachment 5). He also suggests that the study area for increased height include all of the CBD.

The East Core Frame includes Parkplace and additional properties to the north of Central Way. Parkplace has recently gone through an extensive review process and the properties north of Central Way are for the most part already developed with residential uses.

**Public Outreach**

A postcard notice explaining this PAR and giving notice of the Planning Commission meeting on 2/28/13 was sent to over 1000 property owners, residents and business owners that are within 300' of the proposed study area (CBD 5 zone). A sign has also been posted on the property and notice was e-mailed to the Moss Bay Neighborhood Association, KAN, the newspaper and the Chamber of Commerce. A new website has been established for the project including a listserv for citizens who wish to receive future notices.

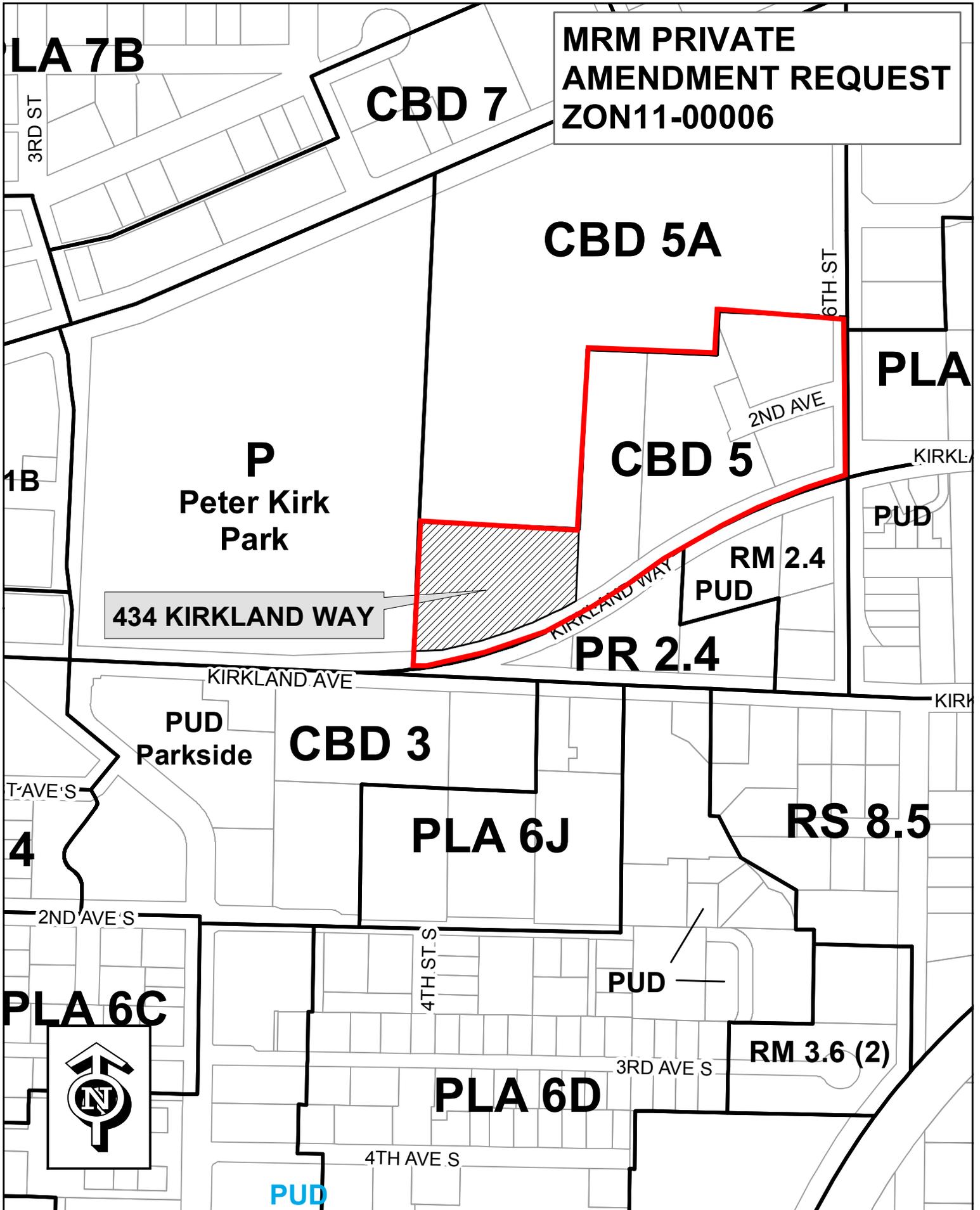
## **Next Steps**

- Staff will begin work on the project after receiving direction from the Planning Commission on the area to be studied.
- Environmental review will be completed this summer. It is expected that a supplement to the Parkplace EIS and the Parkplace Supplemental EIS will be required.
- Staff will have one meeting during this period to update the Planning Commission on the progress of the Supplemental EIS.
- Following completion of the environmental review, study sessions will be held with the Planning Commission.
- A public hearing before the Planning Commission will be held in the fall.
- The Planning Commission's recommendation will go to the City Council by the end of 2013.

## **Attachments:**

1. Site map
2. Map of PAR and surrounding area
3. Aerial Photo
4. Letter from Brent Carson dated February 20, 2013
5. Comprehensive Plan Figure MB-3: Downtown Land Use Districts

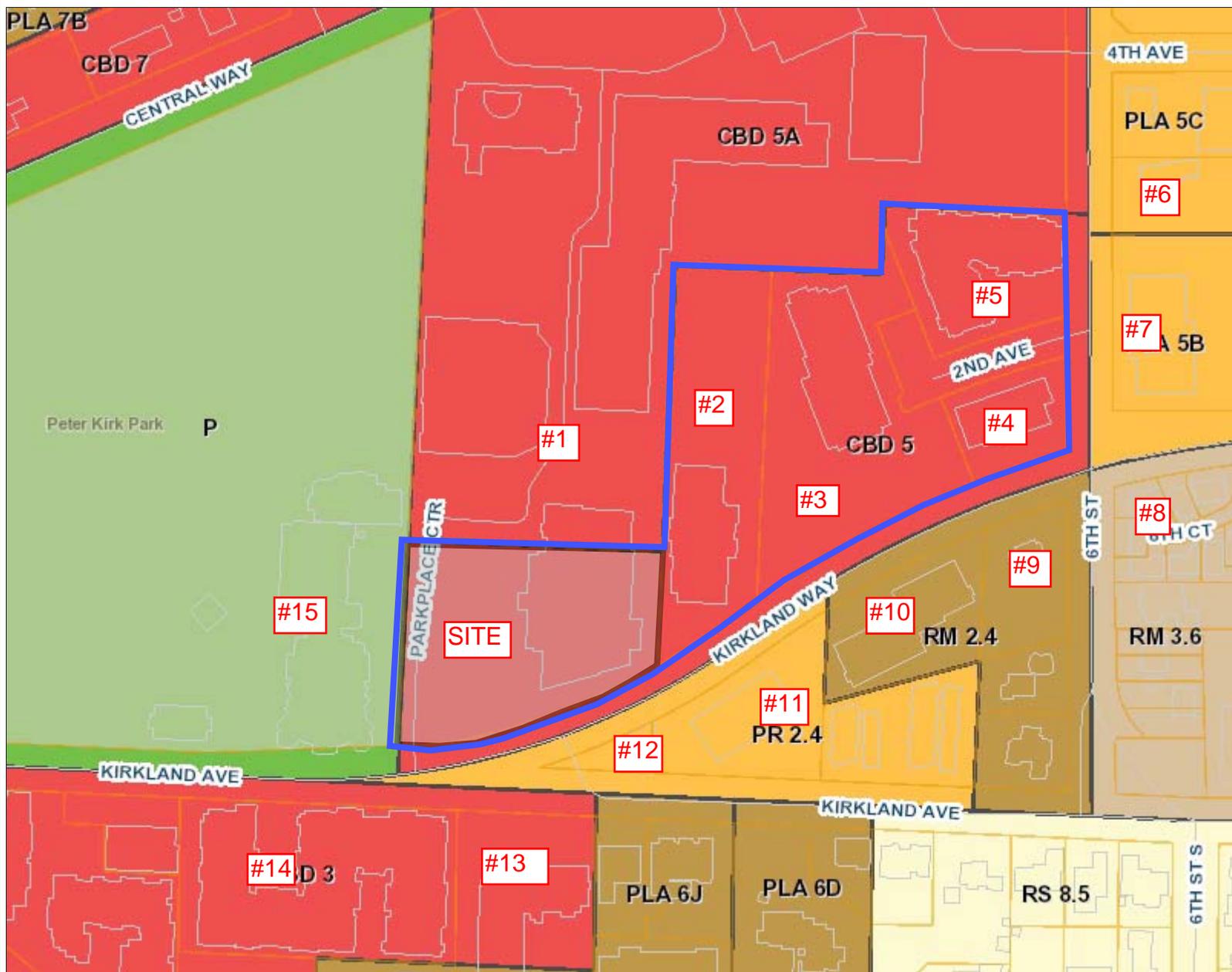
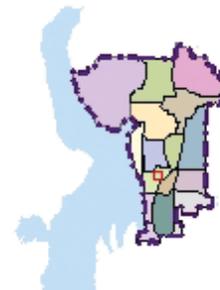
cc: File ZON11-00006  
Brian Brand, AIA  
Moss Bay Neighborhood Association  
KAN  
Brent Carson, Attorney for Davidson, Serles and Associates







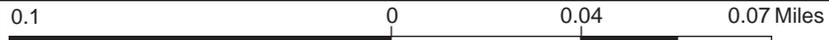
# 434 Kirkland Way and Surrounding Area



### Legend

- City Limits
- Streets
- Parcels
- Buildings
- Parks
- Zoning**
- Commercial
- Industrial
- Transit Oriented Development
- Office
- High Density Residential
- Medium Density Residential
- Low Density Residential
- Institutions
- Park/Open Space

1: 2,293



NAD\_1983\_StatePlane\_Washington\_North\_FIPS\_4601\_Feet  
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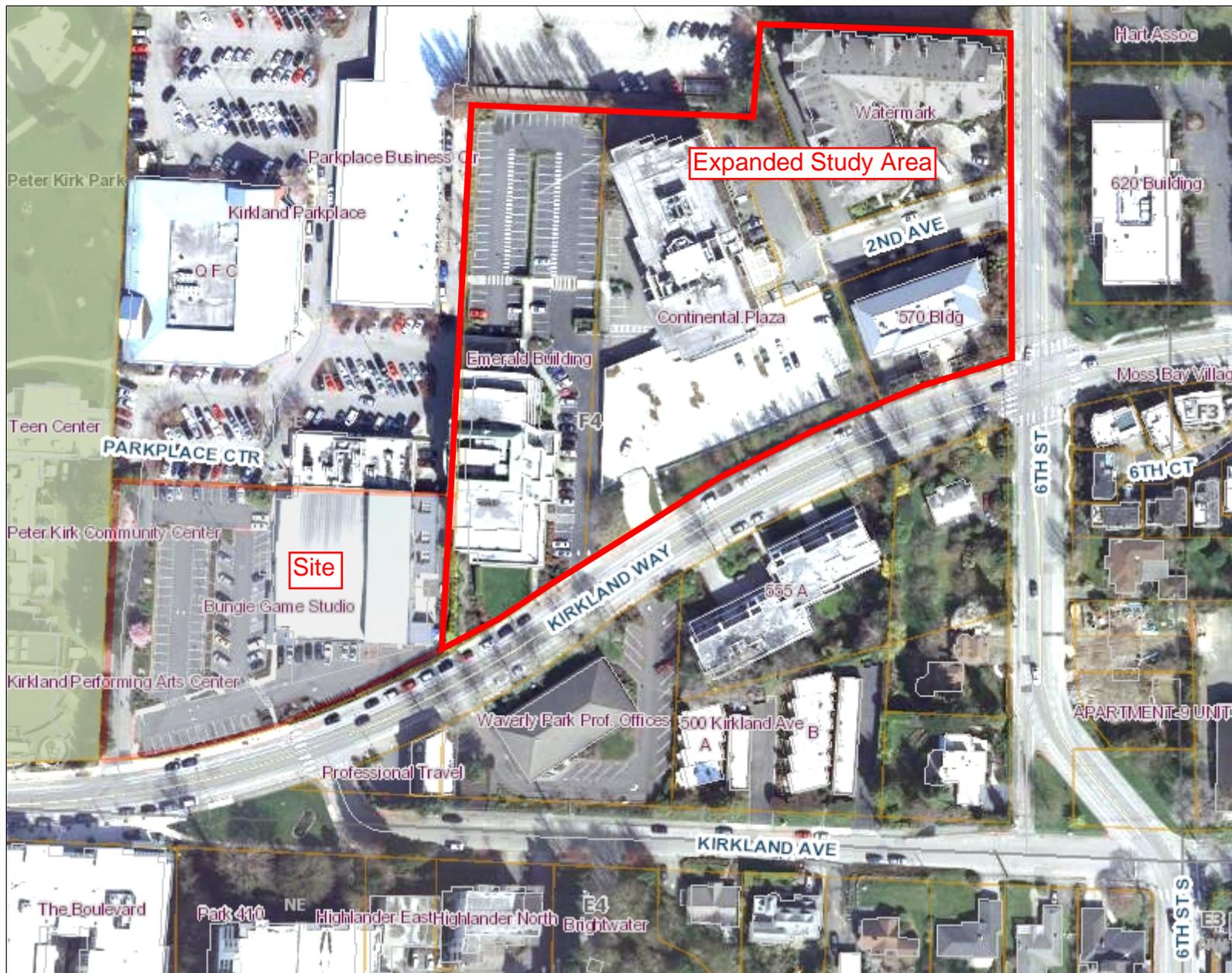
### Notes

Zoning and uses surrounding 434 Kirkland Way PAR





# 434 Kirkland Way and Surrounding Area



### Legend

- City Limits
- Grid
- QQ Grid
- + Railroad
- Streets
- Parcels
- ComPlace Names
- Buildings
- Parks
- Schools
- z\_Image09
- Red: Band\_1
- Green: Band\_2
- Blue: Band\_3

1 : 1,689



0.1 0 0.03 0.05 Miles

NAD\_1983\_StatePlane\_Washington\_North\_FIPS\_4601\_Feet  
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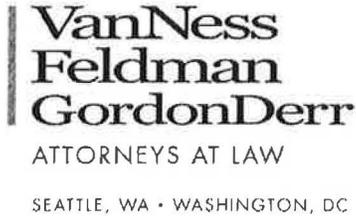
No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

### Notes

Aerial photo of site and surrounding area.





Millennium Tower  
719 Second Avenue Suite 1150  
Seattle, Washington 98104  
206-623-9372 P  
206-623-4986 F

February 20, 2013

Angela Ruggeri  
Senior Planner  
Planning and Community Development  
123 Fifth Avenue  
Kirkland, WA 98033-6189

Re: MRM Kirkland LLC Private Amendment Request

Dear Ms. Ruggeri:

I am writing on behalf of my client, Davidson, Serles and Associates, owner of the Emerald Building at 520 Kirkland Way, in response to the City's decision to begin review of the Private Amendment Request by MRM Kirkland LLC (MRM). MRM has requested a change to the Moss Bay Neighborhood Plan and to the CBD 5 land use zoning regulations to allow an increase in height limits to eight stories and to allow its property to be used primarily for apartments.

As you and the Planning Commission begin review of this Private Amendment Request, we ask that you first carefully consider the existing city policies and code provisions that MRM is seeking to change.

In addressing MRM's private request to allow primary multifamily use on its property, recall that MRM's property, and my client's property, are located in the East Core Frame of the Moss Bay Neighborhood Plan. That Neighborhood Plan notes that:

*Because [the East Core Frame] provides the best opportunities in the Downtown for creating a strong employment base, redevelopment for office use should be emphasized.... Limited residential use should be allowed as a complementary use. (XV.D-8)*

This Neighborhood Plan policy, directed at limiting residential development in the East Frame, is consistent with the overall Vision Statement from Kirkland's existing Comprehensive Plan:

*Kirkland in 2022 is an attractive, vibrant, and inviting place to live, work and visit.*

The surge in apartment construction in Kirkland and passage of the City's park levy puts Kirkland on course to be a great place to live and play, but the City is lagging in obtaining its Vision to also be an attractive place to work.

The Neighborhood Plan policies for creating a strong employment base in the East Core Frame are also consistent with several policies in the City's existing Comprehensive Plan including:

*Policy LU-2.3: Ensure an adequate supply of housing units and commercial floor space to meet the required growth targets through efficient use of land.*

*Policy LU-3.2: Encourage residential development within commercial areas [but noting that] Residential use should not displace existing or potential commercial use.*

*Policy LU-5.2: Maintain and strengthen existing commercial areas by focusing economic development within them and establishing development guidelines.*

*Policy LU-6.2: Encourage and support locations for businesses providing primary jobs in Kirkland.*

*Policy ED-1.5: Encourage clusters of complementary businesses.*

*Policy ED-3.1: Promote economic success within Kirkland's commercial areas.*

*Policy ED-3.3: Encourage infill and redevelopment of existing commercial areas consistent with the role of each commercial area.*

Consistent with these established Comprehensive Plan and Neighborhood Plan policies, the City's zoning code prohibits primary use multifamily development in CBD 5.<sup>1</sup>

With regard to MRM's request to allow development of an eight story multifamily structure on its property, recall that height limits were established in the Moss Bay Neighborhood Plan by dividing downtown into several Design Districts. In Design District 5, in which MRM and my client's property is located, the Neighborhood Plan limits height to between two and five stories. In only one Design District in the CBD, District 5-A (Park Place), are building heights allowed to exceed five stories. A unique set of circumstances led to greater height limits for Park Place as noted in the plan:

*This property [Park Place] is distinguished from the remainder of Design District 5 by the following factors: it is a large parcel under common ownership; it is topographically distinct based on previous excavation to a level that is generally*

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<sup>1</sup> Except for properties fronting on Second Avenue.

*lower than Central Way and abutting properties to the south and east; it has frontage on Central Way; and it contains a mix of uses not found on other office or residential only properties in District 5. . . . .*

*Heights of up to eight stories are appropriate as an incentive to create a network of public open spaces around which is organized a dynamic retail destination.*

Indeed, Park Place's promise of a large destination retail center with grand public spaces provided the justification for a height increase, but MRM offers no public benefit to justify its requested height increase.

As you and the Planning Commission evaluate MRM's private request you should also be prepared to address several important policy questions including:

- Does the City need more multifamily zoned property?
- Does this City have sufficient zoning for multifamily uses in the City as a whole and in the CBD?
- Is the City on target for achieving its GMA goals for development of multi-family units?
- Is the City on target for achieving its GMA goals for employment in the City?
- Can the City afford to lose property now zoned for Class A office?
- Does this City have sufficient zoning for Class A office development in the City as a whole and in the CBD?
- Would MRM's request adversely affect the City's ability to retain and attract high-wage jobs to the City?
- What areas of the City should be built to eight stories or higher?
- What are the adverse consequences to existing properties and to the overall built-environment from allowing eight-story or higher development?

We previously suggested that the questions listed above would best be considered in the broader context of the overall update to the City's Comprehensive Plan. That Comprehensive Plan Update has now begun and will be completed by December 2014. We again ask you to consider folding this private amendment request into the overall policy considerations for the Comprehensive Plan update.

Should you choose to move forward with MRM's private amendment request we still believe that data and analyses being developed for the Comprehensive Plan Update should be used when considering MRM's private request and when answering the policy questions noted above. According to Paul Stewart's January 29, 2013 memorandum to Kurt Triplett prepared for the City Council's Retreat Discussion for the GMA Comprehensive Plan Update, staff has

already begun data collection and mapping work for the Comprehensive Plan Update. Those analyses will address the City's existing capacity to meet the latest Growth Management Act targets for residents and employment by the year 2031. Mr. Steward indicated that by July of 2013 the staff will produce a capacity analysis and a Housing Needs Assessment. As noted in Mr. Stewart's memo: "If the analysis shows that we need additional capacity then the Comprehensive Plan update will need to address where and how we plan for the anticipated growth."

The capacity analysis and Housing Needs Assessment that staff is currently preparing will provide critical information to evaluate MRM's private request. If review of the MRM private request does not await the completion of these analyses, other sources of data will have to be developed by staff to evaluate MRM's private request. We will also need to file public disclosure requests with the City to obtain information from City records so that we can prepare our own land use capacity analysis and to provide the Planning Commission and City Council with our analysis of MRM's private request. The use of separate data and alternative analyses to review MRM's private request as compared with the assessments that are now being completed to make policy decisions during the current Comprehensive Plan Update could lead to faulty and inconsistent evaluations. It would be more accurate and efficient if the City used the same set of data being developed for the Comprehensive Plan Update when considering MRM's private request.

A final issue for your consideration is to determine what study area the City will use to evaluate MRM's private request. Although MRM has requested that its property alone in CBD 5 be allowed to develop multifamily uses as a primary use and that its property alone be given a special height increase to eight stories, the City has the authority to expand the study area when considering MRM's private request.

We recommend that the City study the entire East Core Frame area to evaluate whether the City should abandon the established policy that "the best opportunity in the Downtown for creating a strong employment base" in in the East Core Frame and whether the City should disturb the current success of CBD 5 as a Class A Office employment center. Because abandoning that policy for one property owner opens the door to changing it for all of the East Core Frame, the broader geographic area should be studied. By broadening the study area the City can properly consider the policy choices and evaluate the public benefits and impacts of its actions.

With regard to MRM's private request to increase height, the City should study increasing height limits throughout the CBD. MRM has chosen to use the City's allowance of eight story development at Park Place as a precedent to expand the height of development on its property to eight stories. As you know, my client previously argued during the Park Place process that others would use the Park Place eight story height approval as precedent. MRM is the first to do this. While my client is opposed to raising height limits throughout the CBD, if MRM's argument succeeds, other property owners in the CBD will surely follow suit. For that reason, we recommend that the City take a broader look at height limits in the entirety of the CBD when considering this MRM's private request.

I appreciate your giving me the opportunity to provide these early comments and look forward to participating during your review of MRM's private request.

Very truly yours,

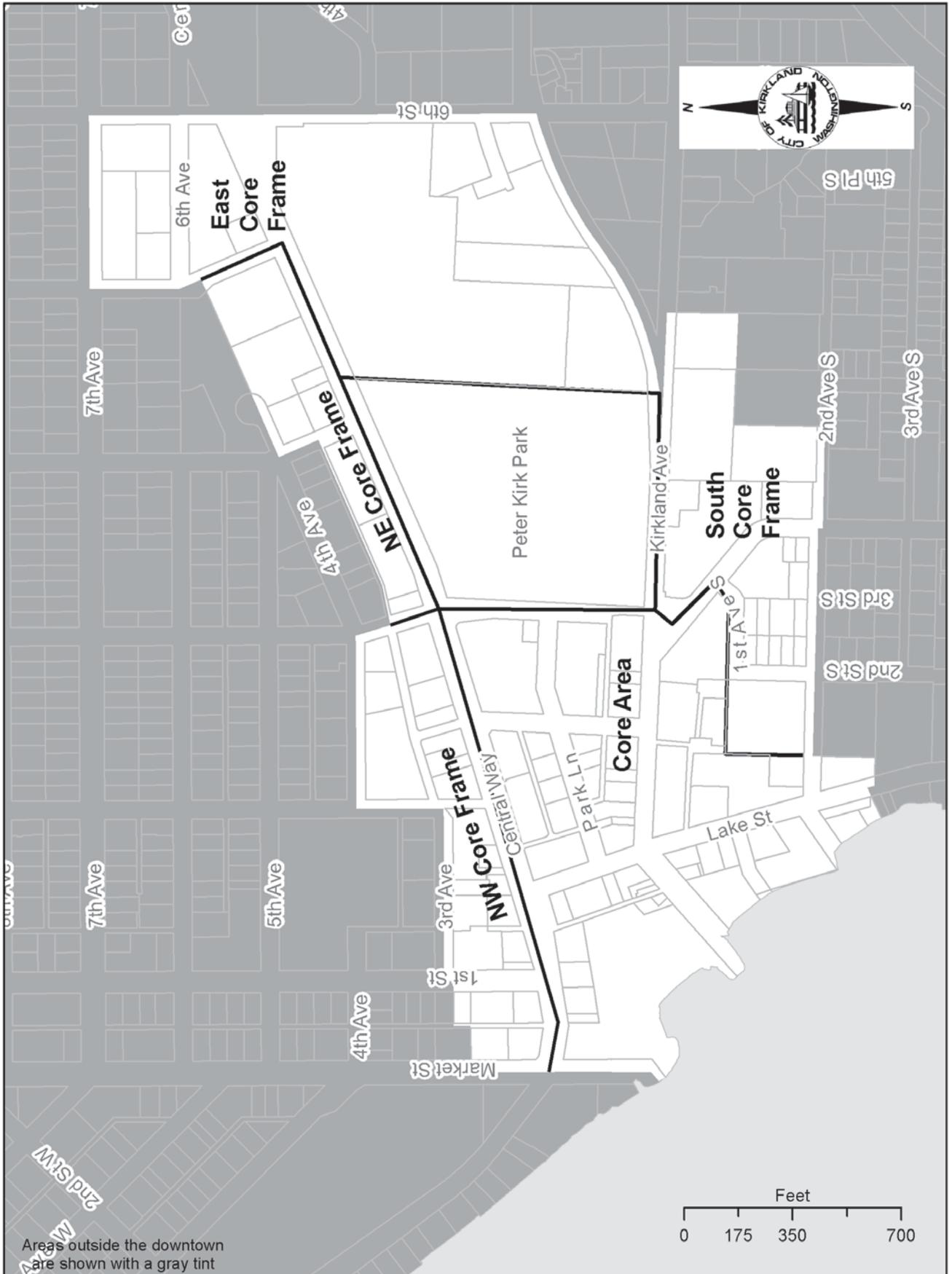


Brent Carson

BC:kl

cc: Client  
Planning Commission





**Figure MB-3: Downtown Land Use Districts**