



CITY OF KIRKLAND

Planning and Community Development Department

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MEMORANDUM

Date: May 17, 2012

To: Planning Commission

From: Dorian Collins, Project Planner
Eric Shields, Planning Director

Subject: **TOTEM LAKE – PUBLIC HEARING ON PROPOSED ZONING CODE AMENDMENTS (FILE ZON11-00034)**

RECOMMENDATION

Conduct a public hearing to receive testimony on the proposed amendments to the Zoning Code. Once the hearing is closed, discuss the proposed amendments and provide direction to staff for any changes to the amendments to be included in a recommendation from the Planning Commission for consideration by the City Council.

POLICY IMPLICATIONS

The proposed amendments to the Zoning Code implement a task included in the City's approved Totem Lake Work Plan. The changes are also consistent with the adopted Totem Lake Neighborhood Plan, and with Chapters 135 and 160 of the Zoning Code.

BACKGROUND

Totem Lake Neighborhood Plan Vision, Totem Lake Symposium, Totem Lake Work Plan, Urban Land Institute Study and Objectives for Zoning Code Amendments

Vision for Totem Lake

Until the Totem Lake Neighborhood Plan is updated or amended, the current policy direction in the plan continues to guide implementing regulations for this business district. The Plan for Totem Lake was adopted in 2002. Attachment 1 includes a map that summarizes the planned land use and vision for the Totem Lake Urban Center contained in the policies for the Totem Lake neighborhood. The matrix shown in Attachment 2 indicates the land uses supported by Plan policies for each zone. Attachment 3 contains a Zoning Map for the neighborhood. The plan's policies establish the following key direction for growth and development in the Totem Lake business district:

- The Totem Lake business district is envisioned as a focus for the city's jobs and economic activity. It is intended to be a community and sub-regional center for services, vehicle sales, major destination retail and health care.
- Improved mobility is called for throughout the neighborhood – for pedestrians in the neighborhood's smaller commercial districts and through an extensive nonmotorized network, for vehicles, in terms of enhanced capacity, traffic calming and new connections in the street network, and for transit, through new facilities and expanded service.
- Intensive redevelopment is envisioned for "Totem Center", the core of the neighborhood. Totem Center contains the Evergreen Hospital campus, the Totem Lake mall property, the Totem Lake transit center, and a large area designated for high residential density and commercial intensity west and north of Evergreen Hospital. While this area is not designated as a "Housing Incentive Area" (discussed below), the Neighborhood Plan calls for residential use to be encouraged in the mixed-use areas of Totem Center. The Plan also calls for continued growth of the Evergreen Hospital campus and redevelopment of Totem Lake mall as an intensive, pedestrian oriented mixed-use center.
- A transition from industrial and warehouse uses to office and business park use is planned for the large area west of I-405 and south of NE 116th Street (zoned TL 10C-E). Additional building height is supported by the Plan's policies for these uses, as well as for residential use within the western part of the area.
- Additional "villages" at Totem Square (zoned TL 5) and Totem Lake West (zoned TL 6B) are envisioned, to include more intensive mixed-use development and new pedestrian routes to break up the large blocks and create a better environment for pedestrians.
- In several areas, including Totem Square (TL 5), the intensive mixed-use area west of Evergreen Hospital (zoned TL 1A and TL 1B), and the area west of I-405 north of 116th (zoned TL 10B), new right-of-ways are planned to be created through private development to create a street grid within the districts.
- The Totem Lake neighborhood is planned to be an "attractive urban village", with a sense of neighborhood identity. Attractive buildings, public meeting spaces, and pedestrian amenities are expected throughout the neighborhood. Design guidelines developed for Totem Center and the remainder of the neighborhood exist in the Municipal Code to accompany the plan's objectives.
- The Neighborhood Plan provides strong support for residential development and affordable housing. Five "Housing Incentive Areas" are designated throughout the district (see map, Attachment 4). At the time the Plan was written, it was assumed that housing development would be less likely to be built by the development community, so high residential density and building height incentives are supported for residential use in the mixed-use areas.

- The Neighborhood Plan also emphasizes protection of the natural environment, and designates a “greenway” corridor to preserve natural areas and provide open space within developed areas. The acquisition of Totem Lake itself is also supported by Plan policies.

Totem Lake Symposium

The City of Kirkland sponsored the Totem Lake Symposium in September of 2010. The purpose of the symposium was to solicit input from industry experts regarding actions the City could consider to stimulate revitalization efforts in the Totem Lake business district. The themes that emerged from the meeting were later included in a new Totem Lake Work Plan (see Attachment 5) that was adopted by the City Council on December 7, 2010.

Totem Lake Work Plan

A key task included in the Totem Lake Action Plan is the study by the Planning Commission of zoning regulations and permit processes, and development of amendments to remove potential barriers to development, provide greater flexibility and add expand incentives to encourage development. The scope for this task is to consider code amendments that do not require amendments to the Comprehensive Plan.

Urban Land Institute

Included in the Work Plan task described above is the use of an Urban Land Institute (ULI) Technical Assistance Panel (TAP) as a resource in reviewing existing regulations, and exploring new incentives that could be considered. In July of 2011, the City retained the ULI to undertake a TAP to review the City's existing policies and plans for the Totem Lake business district, with a focus on the neighborhood's southeast quadrant. On July 20, 2011, the panel presented initial findings to the community. The final report from the TAP can be found in Attachment 6.

At its October meeting, the Planning Commission received a presentation and held a discussion with members of the ULI Technical Assistance Panel that had participated in the study of the business district.

Objectives for Zoning Code Amendments

The Planning Commission has held several study sessions on the topic of minor amendments to the Zoning Code to address the objectives for the Totem Lake business district called for in the City Council's 2011 Work Plan (see Attachment 5). The meetings were held on September 9, 2011, October 27, 2011, January 12, 2012 and March 22, 2012. The amendments under consideration are an effort to provide greater flexibility and opportunities for development, and to remove barriers to development within the Totem Lake neighborhood. The proposed amendments are also intended to incorporate direction from the Urban Land Institute (ULI) study of the business district.

Over the course of its study, the Planning Commission clarified that the objectives for the amendments proposed are to:

- Provide more flexibility for development (e.g., eliminate FAR restriction for smaller structures, eliminate prescriptive standards for ground floor uses, establish standardized height limits to enable flexibility for change in use);
- Provide more opportunity for development where possible (e.g., increase height limits, reduce building setbacks);
- Provide uniformity across zones (e.g., standardize building heights and front setbacks); and
- Eliminate obsolete or vague regulations (e.g., requirements for the Evergreen Hospital campus that no longer apply due to recent development, unclear requirement for landscape berm in TL 8 zone, etc.).

Proposed Amendments

At its study session on March 22nd, the Planning Commission directed staff to prepare amendments to the Zoning Code for consideration at a public hearing. The proposed amendments are summarized in the chart shown in Attachment 7, which groups the proposed amendments into two areas:

- Changes common to multiple zones
- Changes unique to individual zones

Several additional changes are also recommended by staff to implement “clean-up” efforts that are being made to Zoning Code regulations whenever amendments are made throughout the city’s zones:

- Corrections to regulations for mini-schools and mini-day care centers that reference out of date state statutes. These special regulations would be deleted.
- Elimination of special regulations related to deli seating in retail uses, since this issue has been addressed through amendments to the definitions in Chapter 5 of the Zoning Code for retail and restaurant uses.

Issues that are not yet resolved in the amendments include:

- Should a minimum percentage of ground floor commercial use be established where a reduction in the required area of 20% is requested by an applicant? The proposed amendments include optional text that could be included to establish a minimum of 15% of ground floor commercial gross floor area. Staff recommends that a specific minimum not be established, to discourage development proposals that may plan for the lower amount of commercial floor area (applies in TL 4, 5, 6).
- Should the format changes suggested by staff (and discussed below) be made to the charts prior to submittal to the City Council for consideration?

Key changes for multiple zones:

- *Amendments to ground floor use requirements.* Several changes are proposed to provide greater flexibility for development in Totem Lake's commercial areas, while ensuring a commercial presence and encouraging pedestrian-oriented building fronts along vehicular and pedestrian routes:
 - Floor Area Ratios (FARs): The change would establish benchmark ground floor *commercial* FARs for mixed use in commercial zones that under existing regulations, require a minimum percentage of ground floor space to be occupied by *retail* uses. The proposed FAR of .20 is based on the existing level of commercial development in the business district. Provisions for minor floor area reductions are included in the regulation.
 - Change to the existing requirement from "retail" space to "commercial" space, to allow ground floor space to be occupied by office uses as well as retail, restaurants, taverns and recreational uses. However, ground floor space must be designed and configured to accommodate retail.
 - New definition for "commercial" space
 - Elimination of the restrictions on ground floor residential space in mixed-use development

- *Increases to building height limits.* These changes would allow for taller non-residential structures, while retaining incentives for residential use in the designated Housing Incentive Areas.

- *Other amendments aimed at simplifying standards for development :*
 - Elimination of the FAR restriction for buildings less than 65' in height in zones where this regulation applies (TL 1A, 1B and 5).
 - Reduction of the design review process from Design Board Review to Administrative Design Review for parcels with no frontage on a right of way (including the Cross Kirkland Corridor) in certain zones.
 - Reduction of the ground floor height requirement from 15' to 13' in all commercial zones.
 - Reduction of the front setback from 20' to 10' for most uses in most zones.
 - Application of consistent building heights throughout zones where applicable (height limits for non-conforming uses would not be changed).

Key changes for individual zones:

A variety of amendments are proposed for individual zones to address the objectives for this task. Some of the more significant changes proposed include:

- TL 7: Changes proposed include those for the TL 7 zone (see map, Attachment 3), where provisions for retail uses would be expanded throughout the western portion of the zone. Design review would be simplified throughout this area as well, and eliminated for the eastern portion of the zone.
- TL 5: Reduction in the minimum acreage requirement for a Master Plan. This change is suggested in response to the recommendation from the Urban Land Institute panel that opportunities for redevelopment in this area would be improved by providing this option to smaller parcels. While the TAP had suggested that the road dedication and improvement requirements may pose a barrier to development, the regulations continue to call for the new road grid improvements within the zone, since this concept is both integral to the Totem Lake Neighborhood Plan vision for the subarea, and an important element of the City's larger street network. The proposed amendments clarify the requirements for right-of-way dedication and improvement, and for the Master Plan option provided for development.

The specific Zoning Code amendments proposed are provided in Attachments 8-25. Changes are indicated through cross-outs of deleted text and underlines where new text is added. In some cases, additional formatting changes are recommended that are not reflected on the attached charts due to time constraints. Descriptions of the formatting changes are provided below, and could be added prior to submittal of the Planning Commission recommendation to the City Council. Proposed changes include:

- ♦ **Chapter 5:** A new definition would be added to define Commercial Use. The new use would include all uses currently allowed under the definitions for Office Use, Retail Establishment, Restaurant or Tavern, and the new use, Entertainment, Cultural and/or Recreational Facility (expected to be included in the 2012 miscellaneous code amendments) (See Attachment 8).
- ♦ **Chapter 55:**
 - **TL 1A** (Section 55.07-09, Attachment 9):
 - Eliminate Floor Area Ratio (FAR) for buildings under 65' in height. Retain existing FARs above 65' in height.
 - Reduce minimum ground floor height from 15' to 13'.
 - *Format Recommendation:* Move special regulations related to floor area ratio, building height and lot coverage for Office Use, Attached or Stacked Dwelling Units, Assisted Living Facility, Convalescent Center/Nursing Home to General Regulations.
 - *Format Recommendation:* Combine TL 1A Use Zone Chart with TL 1B Use Zone Chart.

- **TL 1B** (Section 55.13-15, Attachment 10):
 - Eliminate Floor Area Ratio (FAR) for development of Attached or Stacked Dwelling Units, Assisted Living Facilities and Convalescent Centers/Nursing Homes under 65' in height. Retain existing FARs above 65' in height.
 - Revise restriction on office use in mixed use from a maximum of 10% of total gross floor area to a maximum FAR of 1.0.
 - Increase height restriction for development within 100' of the centerline of NE 132nd Street from 30' to 35'.
 - Move regulation related to building height within 100' of the centerline of NE 132nd Street from Special Regulations to General Regulations.
 - Increase maximum building height from 30' to 45' for Office, Church, School, Day-Care Center or Mini-School or Mini-Day-Care.
 - *Format Recommendation:* Move special regulations related to building height, for Office, Church, School, Day-Care Center, Mini-School or Mini-Day Care, Public Utility and Government Facility/Community Facility to General Regulations. Move special regulations related to floor area ratio, building height and lot coverage for mixed use (Development Containing Both Office Use and Attached or Stacked Dwelling Units), Attached or Stacked Dwelling Units, Assisted Living Facility and Convalescent Center/Nursing Home to General Regulations.
 - *Format Recommendation:* Combine TL 1B Use Zone Chart with TL 1A Use Zone Chart.

- **TL 2** (Section 55.19-21, Attachment 11):
 - Increase maximum building height from a range of 75'-135' to a range of 90' to 135', and increase percentage of the "gross site area included within the CMP" at the increased height from five percent to ten percent.
 - Allow lobbies to occupy up to ten percent of the ground floor of a structure (Attached or Stacked Dwelling Units use).

- **TL 3** (Section 55.25-.27, Attachment 12):
 - For Hospital/Medical Facility use (since development has occurred and transit center has been built):
 - ◆ Reduce review process for Master Plan Development from Process IIB to Process IIA.
 - ◆ Increase allowable lot coverage from 70% to 85%
 - ◆ Increase maximum building height in TL 3B to 75'
 - ◆ Eliminate requirements for construction of a transit center.

- **TL 4** (Section 55.31-33, Attachment 13):
 - Reduce minimum ground floor height from 15' to 13'.
 - Eliminate requirement that 50% of total gross floor area located on the ground floor contain retail establishments and similar uses.

- Add new general regulation requiring that ground floor spaces in structures with frontage along a right-of-way or other vehicular or pedestrian route or space be designed to encourage pedestrian activity or visual interest.
 - Add new special regulation requiring that development must include commercial use on the ground floor area equal to or greater than 20% of the area of the subject property (.2 FAR).
 - Add provision for minor floor area reductions where applicant can show that the requirement cannot be met due to the configuration of existing or proposed improvements, and that the commercial space is configured to maximize its visibility and pedestrian orientation.
 - Reduce front setback requirement for all uses other than vehicle service station from 20' to 10'.
 - Increase maximum building height for all uses other than Vehicle Service Stations to 65'.
 - Eliminate mixed use listing ("Development containing attached or stacked dwelling units and office, restaurants or taverns, or retail uses allowed in this zone").
 - To replace the mixed use listing add new "Attached or stacked dwelling units" use listing, which allows ground floor residential use, while requiring ground floor commercial space in new special regulation.
- **TL 5** (Section 55.37-39, Attachment 14):
- Clarify general regulations related to right-of-way dedication and improvement requirements for the new 123rd Avenue NE right-of-way, and the extension of NE 120th Street through the zone.
 - Eliminate building height step-back requirement next to NE 116th Street.
 - Add new general regulation that requires development in the zone's southeast corner to address the entryway to the Totem Lake Neighborhood in this area through building and/or landscaping design.
 - Reduce minimum ground floor height from 15' to 13'.
 - Eliminate requirement that 30% of total gross floor area located on the ground floor contain retail establishments and similar uses.
 - Add new general regulation requiring that ground floor spaces in structures with frontage along a right-of-way or other vehicular or pedestrian route or space be designed to encourage pedestrian activity or visual interest.
 - Add new special regulation requiring that development must include commercial use on the ground floor area equal to or greater than 20% of the area of the subject property (.2 FAR).
 - Add provision for minor floor area reductions where applicant can show that the requirement cannot be met due to the configuration of existing or proposed improvements, and that the commercial

- space is configured to maximize its visibility and pedestrian orientation.
 - Change term from Conceptual Master Plan to Master Plan.
 - Reduce minimum acreage requirement for Master Plan from four acres to two acres.
 - Eliminate FAR restrictions for buildings under 65' in height.
 - Clarify height regulations to state there is no maximum height limit under the Master Plan option.
 - Clarify language in special regulations describing the Master Plan.
 - Revise special regulations for the Master Plan to support the "pedestrian environment" rather than the "retail character of the development".
 - Eliminate special regulation regarding design techniques to address large single tenant structures. This issue will be addressed by design guidelines.
 - Eliminate restriction on ground floor residential use for Attached or Stacked Dwelling Units, Assisted Living Facility and Convalescent Center/Nursing Home.
 - Eliminate general regulation restricting parking in required front yard (this issue is addressed in design guidelines and regulations).
- **TL 6** (Section 55.43-45, Attachment 15):
 - Reduce minimum ground floor height from 15' to 13'.
 - Increase maximum building height for all uses other than Vehicle Service Station and those that are not allowed to re-build in new structures to 45'.
 - Add new special regulation requiring that development must include commercial use on the ground floor area equal to or greater than 20% of the area of the subject property (.2 FAR).
 - Add provision for minor floor area reductions where applicant can show that the requirement cannot be met due to the configuration of existing or proposed improvements, and that the commercial space is configured to maximize its visibility and pedestrian orientation.
 - Eliminate mixed use listing ("Development containing attached or stacked dwelling units and office, restaurants or taverns, or retail uses allowed in this zone"). The listing is not needed as all uses are addressed with separate use listings.
 - Eliminate restriction on ground floor residential use for Attached or Stacked Dwelling Units, Assisted Living Facility and Convalescent Center/Nursing Home.
 - **TL 6A:**
 - ◆ Move special regulation related to building height above Slater Avenue for mixed use to general regulations, since the regulation will apply to more uses with increased height limits.

- **TL 6B:**
 - ◆ Eliminate requirement that 50% of total gross floor area located on the ground floor contain retail establishments and similar uses.
 - ◆ Add new general regulation requiring that ground floor spaces in structures with frontage along a right-of-way or other vehicular or pedestrian route or space be designed to encourage pedestrian activity or visual interest.
- **TL 7** (Section 55.49-51, Attachment 16):
 - Increase building height for all uses to 45'.
 - Reduce front setback requirement for all uses other than Vehicle Service Station from 20' to 10'.
 - Eliminate requirement for design review on properties north and east of Cross Kirkland Corridor. In other areas within TL 7, design review is modified to continue to require Administrative Design Review, but to consider the design guidelines adopted for the Totem Lake Neighborhood in project review, in lieu of the design regulations contained in Chapter 92 of the Zoning Code.
 - Add new general retail use listing. Special regulations prohibit this use on properties north and east of the Cross Kirkland Corridor r-o-w.
 - Eliminate use listing for "Retail, Variety or Department Store" use listing (required at least 75,000 square feet).
 - Eliminate use listing for "A multi-use complex or mixed use building containing 7 or more restaurants, taverns, retail establishments or churches".
 - Add new Restaurant and Tavern use listing. Special regulations prohibit this use on properties north and east of the Cross Kirkland Corridor r-o-w.
 - Eliminate "Restaurant" use listing (allowed as an accessory use only).
 - Add new Church use listing (previously allowed only within multi-use complex).
- **TL 8** (Section 55.55-57, Attachment 17):
 - Reduce minimum ground floor height from 15' to 13'.
 - Eliminate general regulation regarding installation of a landscape berm on property adjacent to 120th Avenue NE and Totem Lake Way.
 - Increase maximum building height to 65' for all uses.
- **TL 9A** (Section 55.60-61, Attachment 18):
 - Increase maximum building height for all uses to 45'.
 - Reduce front setback requirement for all uses from 20' to 10'.

- **TL 10**
 - *Format Recommendation:* Combine Use Zone Charts for TL 10A-TL 10E prior to submittal to City Council for consideration.
 - **TL 10A** (Section 55.67-69, Attachment 19):
 - ◆ Reduce front setback requirement for all uses from 20' to 10'.
 - ◆ Increase maximum building height for all uses to 55'.
 - **TL 10B** (Section 55.73-75, Attachment 20):
 - ◆ Clarify general regulations related to dedication and improvement of the extension of 118th Avenue NE, and revise general regulation 3.b. to require improvement with new development.
 - ◆ Eliminate general regulation providing for increased building height with r-o-w dedication.
 - ◆ Add new use listing for Vehicle or Boat Repair, Services, Washing or Rental
 - ◆ Increase maximum building height for residential development to 65'.
 - ◆ Increase maximum building height for all other uses other than those that are not allowed to re-build in new structures to 55'.
 - ◆ Reduce front setback requirement for all uses other than those that are not allowed to re-build in new structures from 20' to 10'.
 - **TL 10C** (Section 55.79-81, Attachment 21):
 - ◆ Add new general regulation limiting design review to ADR for structures under 30' in height that do not abut a public r-o-w or the Cross Kirkland Corridor.
 - ◆ Increase maximum building height for residential development to 65'.
 - ◆ Increase maximum building height for all other uses other than those that are not allowed to re-build in new structures to 45'.
 - ◆ Reduce front setback requirement for all uses other than those that are not allowed to re-build in new structures from 20' to 10'.
 - ◆ Delete special regulation for Commercial Recreation Area and Use that restricts the location where this use is allowed within the zone. Description of location is inaccurate, and use is already restricted to existing structures.
 - **TL 10D** (Section 55.85-87, Attachment 22):
 - ◆ Add new general regulation limiting design review to ADR for structures under 30' in height that do not abut a public r-o-w or the Cross Kirkland Corridor.
 - ◆ Reduce front setback requirement for all uses other than those that are not allowed to re-build in new structures from 20' to 10'.
 - ◆ Increase maximum building height for all uses other than those that are not allowed to re-build in new structures or

- required to be accessory to another use to 80', unless the use is located in the "Stand-Alone Housing Area".
- ♦ Delete special regulation for Commercial Recreation Area and Use that restricts the location where this use is allowed within the zone. Description of location is inaccurate, and use is already restricted to existing structures.
- **TL 10E** (Section 55.91-93, Attachment 23):
 - ♦ Increase maximum building height for all uses other than those that are not allowed to re-build in new structures to 80'.
 - ♦ Correct sign category for Vehicle or Boat Repair, Services, Washing or Rental from Category A to Category E.
 - ♦ Delete special regulation for Commercial Recreation Area and Use that restricts the location where this use is allowed within the zone. Description of location is inaccurate, and use is already restricted to existing structures.
- ♦ Chapter 92 (See Attachment 24): Changes proposed for Chapter 92, Design Regulations, would clarify that the design regulations in Chapter 92 do not apply to development in the TL 7 zone. This change, combined with the change to Chapter 142 described below, will enable greater flexibility in review of development proposals in this zone, where the mix of industrial types of buildings may not be consistent with the building forms traditionally contemplated by the design regulations.
- ♦ Chapter 142 (See Attachment 25): The proposed amendments to the process for Administrative Design Review would allow the Planning Official to use the Design Guidelines adopted in the Municipal Code (KMC 3.30.040) rather than the design regulations contained in Chapter 92 of the Zoning Code in reviewing development proposals, where specified in zoning regulations.

Additional Issues

At its meeting in March, the Planning Commission asked staff to research the possibility of restricting what might be included in private covenants through zoning regulations. Commissioners noted as an example that some uses which are otherwise permitted under zoning (such as restaurants) may not be allowed in mixed use structures when building owners/managers/leasing agents restrict them through their private covenants. The commissioners wondered whether or not zoning regulations could be drafted to ensure that the full range of permitted uses were not restricted through private covenants.

The City Attorney's office has provided guidance on this topic. While the City has a legitimate public purpose in limiting uses in different zones in the City, the City does not have an interest in requiring that all allowed uses be available with respect to a particular property. The general rule is that restrictive covenants are enforceable unless they violate public policy. An example of a restrictive covenant that violates public

policy is one that prohibits residency based on race, ethnic background, gender or similar grounds. The Attorney's office concludes that a restriction on certain uses does not rise to the level of violating public policy.

Attachments

1. Totem Lake Urban Center – Planned Land Use and Vision
2. Land Use Matrix – Totem Lake Neighborhood Plan
3. Totem Lake Zoning Map
4. Housing Incentives Areas Map – Totem Lake Neighborhood Plan
5. Totem Lake Work Plan (approved by City Council – 2011)
6. Urban Land Institute – Technical Assistance Panel – Final Report (2011)
7. Proposed Totem Lake Zoning Code Amendments – Summary Chart
8. Proposed Amendments: Chapter 5
9. Proposed Amendments: Chapter 55 – TL 1A
10. Proposed Amendments: Chapter 55 – TL 1B
11. Proposed Amendments: Chapter 55 – TL 2
12. Proposed Amendments: Chapter 55 – TL 3
13. Proposed Amendments: Chapter 55 – TL 4
14. Proposed Amendments: Chapter 55 – TL 5
15. Proposed Amendments: Chapter 55 – TL 6
16. Proposed Amendments: Chapter 55 – TL 7
17. Proposed Amendments: Chapter 55 – TL 8
18. Proposed Amendments: Chapter 55 – TL 9A
19. Proposed Amendments: Chapter 55 – TL 10A
20. Proposed Amendments: Chapter 55 – TL 10B
21. Proposed Amendments: Chapter 55 – TL 10C
22. Proposed Amendments: Chapter 55 – TL 10D
23. Proposed Amendments: Chapter 55 – TL 10E
24. Proposed Amendments: Chapter 92
25. Proposed Amendments: Chapter 142
26. Zoning Code - Chapter 180 – Plate 34B
27. Zoning Code - Chapter 180 – Plate 34F
28. Public Comment

cc: File ZON11-00034
email distribution list

Totem Lake Urban Center Planned Land Use and Vision

- Intensive Mixed Use/ Multi-family
- 160' Building Height
- New Street Grid to Break-up "Superblocks"

- Evergreen Hospital:
- Continued Growth
 - 150' Building Height
 - Includes Transit Center

- Totem Lake Mall:
- Redevelopment as Intensive Ped-Oriented, Retail/ Mixed Use Center
 - 75 to 135' Building Height

Enhance Public Amenities Along the Lake

- Totem Lake West:
Redevelop Mixed Use Housing Above Retail

Abandoned Railroad Right-of-way:
Develop as Trail and Possible Light Rail

Lake Washington Tech College

Redevelop To Mixed Use with Housing Above Retail

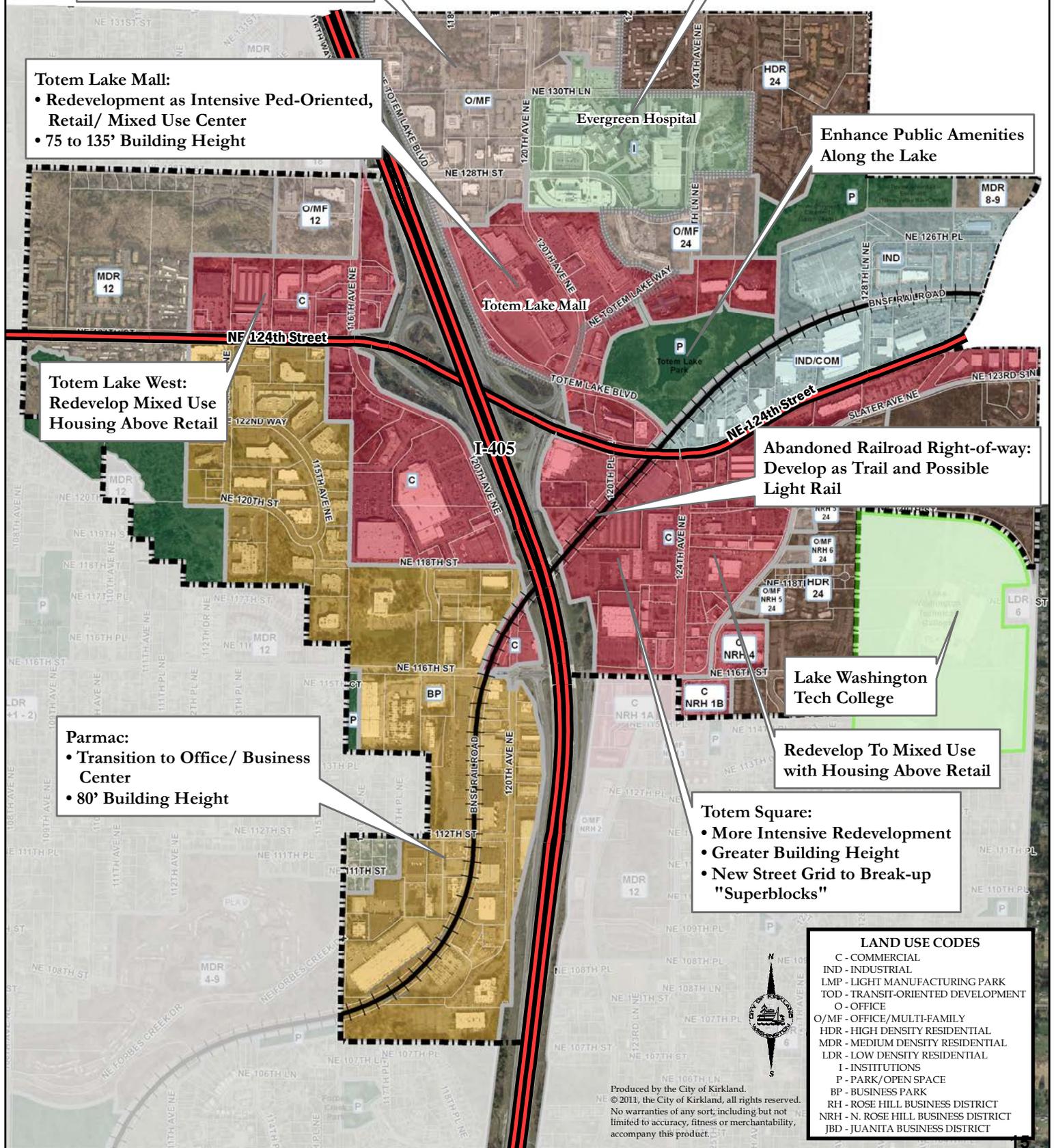
- Parmac:
- Transition to Office/ Business Center
 - 80' Building Height

- Totem Square:
- More Intensive Redevelopment
 - Greater Building Height
 - New Street Grid to Break-up "Superblocks"

LAND USE CODES

- C - COMMERCIAL
- IND - INDUSTRIAL
- LMP - LIGHT MANUFACTURING PARK
- TOD - TRANSIT-ORIENTED DEVELOPMENT
- O - OFFICE
- O/MF - OFFICE/MULTI-FAMILY
- HDR - HIGH DENSITY RESIDENTIAL
- MDR - MEDIUM DENSITY RESIDENTIAL
- LDR - LOW DENSITY RESIDENTIAL
- I - INSTITUTIONS
- P - PARK/ OPEN SPACE
- BP - BUSINESS PARK
- RH - ROSE HILL BUSINESS DISTRICT
- NRH - N. ROSE HILL BUSINESS DISTRICT
- JBD - JUANITA BUSINESS DISTRICT

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XV.H. TOTEM LAKE NEIGHBORHOOD

Totem Lake Neighborhood Land Use Matrix

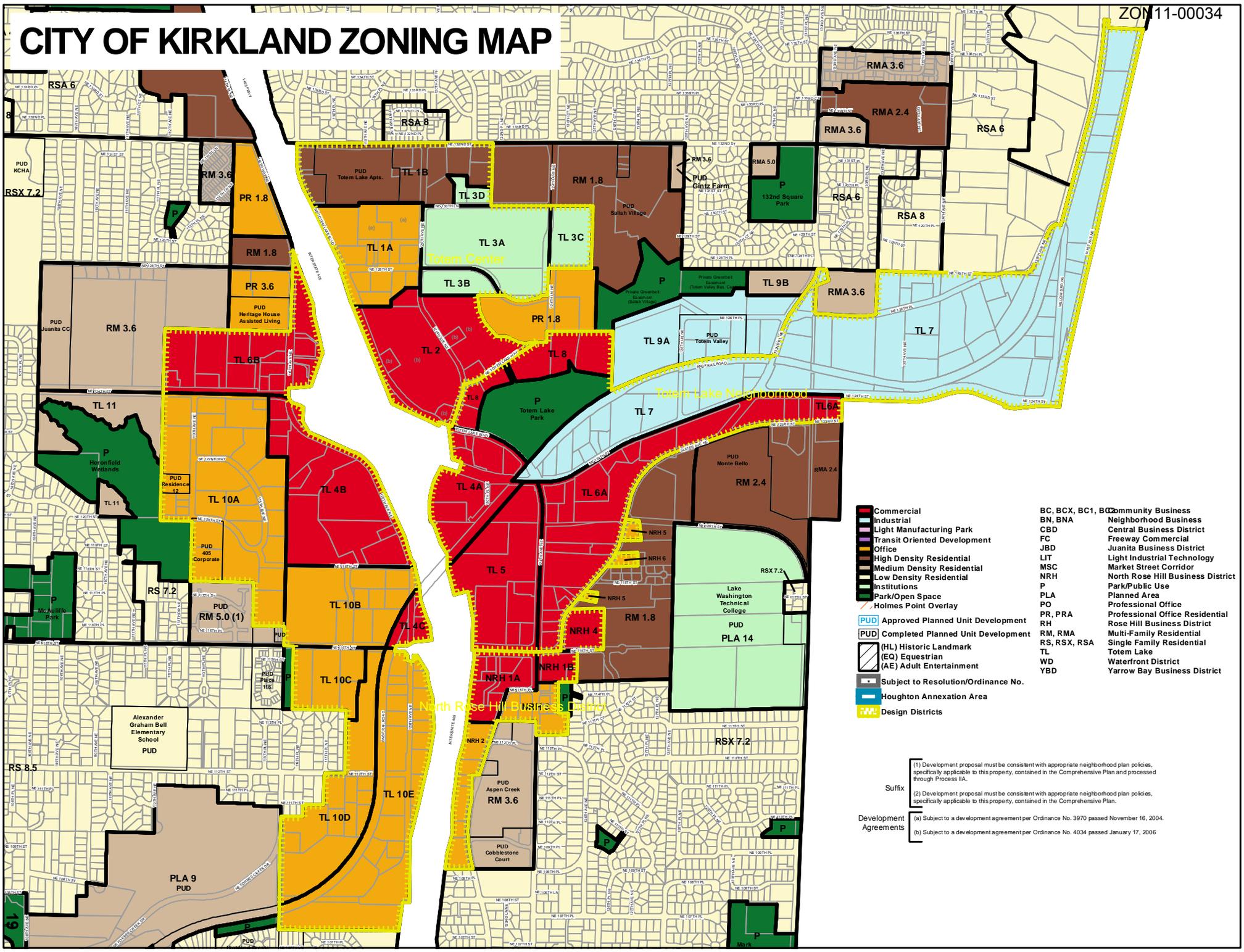
Districts

	TL 1	TL 2	TL 3	TL 4	TL 5	TL 6	TL 7	TL 8	TL 9	TL 10A	TL 10B	TL 10C	TL 10D	TL 11
Residential (>24 d.u./acre)	◆ a	◆ c		◆ c	◆ c	◆ c		◆ c			◆	◆	◆	
Medium Density Residential									◆ i					◆
Office	◆ a	◆ d	◆ f	◆ g	◆ g	◆ g	◆	◆	◆	◆	◆	◆	◆	◆
Retail		◆ g		◆ g	◆ g	◆ g	◆ h	◆ g				◆ k		
Industrial							◆		◆ j	◆	◆	◆	◆	
Housing Incentive (b)	◆	◆				◆					◆	◆	◆	
Master/Specific Plan			◆		◆									
Design Review	◆	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆	◆
Building Height Considerations (e)	◆	◆	◆		◆	◆				◆	◆	◆	◆	

Notes:

- ◆ Denotes districts in which land uses are allowed.
- a. Minimum density of 50 dwelling units per acre required. High nonresidential FAR encouraged (minimum 1.0)
- b. Housing incentive may include additional height for upper story residential uses and/or additional provisions for affordable housing.
- c. Upper story housing encouraged to be combined with lower level commercial uses.
- d. Area of office to be subordinate to retail use.
- e. See Neighborhood Plan text for discussion of building height.
- f. Medical and office uses to support Evergreen Hospital Medical Center will be subject to City approval of a campus Master Plan.
- g. Ground floor uses may be limited to retail in certain areas of property.
- h. Types of retail uses may be limited.
- i. Medium density residential uses allowed in northwest portion of subarea, north of NE 126th Place. subject to standards (see Neighborhood plan text).
- j. Industrial uses to be encouraged to remain and locate in this area through special incentives.
- k. Vehicle sales/repair allowed only with direct vehicle access to NE 116th Street. Other retail uses must be accessory to a primary use.

CITY OF KIRKLAND ZONING MAP



- | | |
|-------------------------------------|---|
| Commercial | BC, BCX, BC1, BC2 Community Business |
| Industrial | BN, BNA Neighborhood Business |
| Light Manufacturing Park | CBD Central Business District |
| Transit Oriented Development | FC Freeway Commercial |
| Office | JBD Juanita Business District |
| High Density Residential | LIT Light Industrial Technology |
| Medium Density Residential | MSC Market Street Corridor |
| Low Density Residential | NRH North Rose Hill Business District |
| Institutions | P Park/Public Use |
| Park/Open Space | PLA Planned Area |
| Holmes Point Overlay | PO Professional Office |
| Approved Planned Unit Development | PR, PRA Professional Office Residential |
| Completed Planned Unit Development | RH Rose Hill Business District |
| (HL) Historic Landmark | RM, RMA Multi-Family Residential |
| (EQ) Equestrian | RS, RSX, RSA Single Family Residential |
| (AE) Adult Entertainment | TL Totem Lake |
| Subject to Resolution/Ordinance No. | WD Waterfront District |
| Houghton Annexation Area | YBD Yarrow Bay Business District |
| Design Districts | |

- Suffix**
- (1) Development proposal must be consistent with appropriate neighborhood plan policies, specifically applicable to this property, contained in the Comprehensive Plan and processed through Process IA.
 - (2) Development proposal must be consistent with appropriate neighborhood plan policies, specifically applicable to this property, contained in the Comprehensive Plan.
- Development Agreements**
- (a) Subject to a development agreement per Ordinance No. 3970 passed November 16, 2004.
 - (b) Subject to a development agreement per Ordinance No. 4034 passed January 17, 2006

Totem Lake Work Plan

2011

2012

Attachment 5
ZON11-00034

Symposium Issues	Department/Staff Responsibility	Short-Term Objectives	Tasks	2011				2012				Comments
				1st	2nd	3rd	4th	1st	2nd	3rd	4th	
Planning												
Reconsider zoning. Make more flexible or market-driven. Consider incentive-based, form-based and other zoning models.	Planning (Lead)	Evaluate potential code amendments that don't require comprehensive plan amendments.	Staff ID list of potential amendments		x							
			Review list with developers and property owners			x						
			Review with Economic Development Committee			x						
			Review list with Planning Commission and City Council			x	x					
			Obtain direction on which amendments to further consider			x	x					
			Process code amendments					x	x	x		
	Planning (Lead)	Identify opportunity sites, analyze current incentives, and explore additional ones.	Staff ID sites		x							
			ID potential incentives			x						
			Review with Economic Development Committee			x						
			ULI technical assistance panel assessment		x	x	x					
	Planning (Lead)	Identify plan amendments.	Staff ID list of potential plan amendments		x							
			Review list with developers and property owners			x						
			Review with Economic Development Committee			x						
			Review list with Planning Commission and City Council			x	x					
			Obtain direction on which amendments to further consider			x	x					
			Process plan amendments						x	x	x	x
	Planning (Lead)	Consider more flexible Comp Plan Amendment process.	Consider allowing TL related amendments annually		x							
			Review idea with Planning Commission and City Council			x						
Implement						x	x					



ULI Technical Assistance Panel Recommendations

City of Kirkland - Totem Lake

2011



Kirkland, Washington



ULI Seattle Technical Assistance Panel Recommendations
City of Kirkland - Totem Lake

ULI Seattle

The Urban Land Institute provides leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI Seattle, a district council of the Urban Land Institute, carries forth that mission as the preeminent real estate forum in the Puget Sound region, facilitating the open exchange of ideas, information and experiences among local, national and international industry leaders and policy makers.

Our mission is to:

- Build a regional vision of the Puget Sound area that embraces and acts upon quality growth principles.
- Encourage the collaboration among all domains – public and private – of the real estate industry.
- Build consensus among industry and public leaders who influence land use, transportation, environmental, and economic development policies.

City of Kirkland

The City of Kirkland is located on the eastern shore of Lake Washington approximately ten miles northeast of downtown Seattle. Kirkland was the first town site in the fast growing area now known as the Eastside, incorporating in 1905 with a population of approximately 530. Today, Kirkland is the twelfth largest city in the State of Washington with a population of over 80,000 and several prosperous business districts with more than 35,000 employees.

Located in the geographic center of Kirkland, the Totem Lake business district is the largest district in the City and home to Evergreen Hospital, the City's largest employer, and the Lake Washington Institute of Technology. Totem Lake also is the principal producer of sales tax in the city, with its extensive retail offerings and auto dealerships. Overall, this commercial area is currently characterized by a relatively low density and automobile orientation.

However, City and regional plans identify Totem Lake as an Urban Center with expectations for significant population and employment growth, transforming into a high density pedestrian oriented district served by high capacity transit. To understand how best to catalyze redevelopment in Totem Lake, the City of Kirkland asked the Urban Land Institute (ULI) to study its current policies and determine whether they supported the vision for Totem Lake, and also to make suggestions on what the City might do to incent development.

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ULI Technical Assistance Panel Recommendations

City of Kirkland - Totem Lake

EXECUTIVE SUMMARY

The City of Kirkland has embarked upon a commitment to transform the business district and neighborhood of Totem Lake into a vital urban center, attracting a substantial number of new residents and jobs. A strong and viable vision, coupled with strategic investments in infrastructure and amenities, will position the business district for investment and growth in the post-recession future. The recommendations of the ULI Technical Assistance Panel can be summarized in four points:

Keep a long-term perspective

The City of Kirkland's current vision for long-term development in Totem Lake is very appropriate, if coupled with strategic investment in improved transit capacity and access. Connectivity to major employment bases through transit is critical, as well as local pedestrian and bicycle networks, trails and open space. The office market has minimal development opportunities in the short run, while downtown Bellevue continues to have excess capacity. Current economic conditions mean that new residential development depends on competitive pricing and capitalizing on Totem Lake's access to a large employment center.

Leverage open space assets and trail potential

Current plans to purchase and redevelop the railroad corridor, which runs through the business district, deserve top priority. The corridor could become a key asset for attracting development to Totem Lake. The program for redevelopment, which will likely accommodate future light rail in addition to pedestrians and bicyclists, might well extend to small electric vehicles. As an amenity, it can connect office employees and other workers to retailers and recreational areas. Coupled with the redeveloped corridor, an enhanced green space around the natural area of Totem Lake could attain placemaking status for the developing neighborhood and become a stopping point and oasis along the railroad corridor.

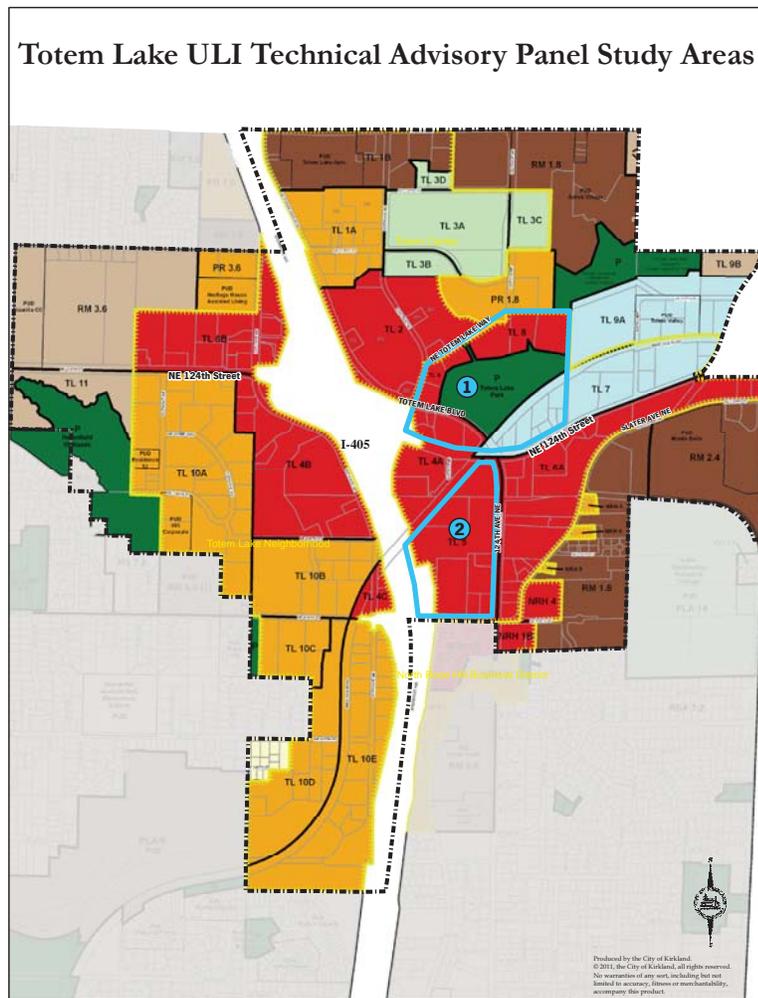
Think big picture, small steps

In the southeast quadrant of Totem Lake, extending 123rd Avenue Northeast north into a renewing neighborhood to the west of 124th Avenue Northeast promises to be transformative. Bounded by the railroad corridor along the northwest side and Northeast 124th Street on the north, this subarea will accommodate a large percentage of new housing units over the long term. In the meantime, the City would do well to focus planning and resources on an even smaller scale, a "quadrant within a

quadrant” in the subarea, and build on connections with the northeast quadrant of Totem Lake.

Work with existing retail strength, and institutions, too

The mall is the most likely transformative center of private development in the district. Although its redevelopment is stalled, the Totem Lake Mall retains the best potential for new retail development and jobs in the neighborhood. Success may depend upon targeting “medium box” stores and second-tier anchors that do not compete with fashion retailers in major urban centers. Significant new retail outside of the mall is unlikely in the short and mid-term, because it typically does not work in mixed-use areas without strong pedestrian traffic. The City also should continue to support Evergreen Hospital and educational institutions, along with associated uses.



**STUDY AREA
AND
BACKGROUND**

The Totem Lake neighborhood, annexed to the City of Kirkland in 1974, has a significant concentration of commercial activity within its boundaries, and is preparing for a sustainable future with a mix of housing and job opportunities. However, it is sharply divided, east from west, by I-405, and the decline of its namesake retail mall, which has long relied on connections with I-405 and the regional network of highways, was followed by setbacks and delays in mall redevelopment.

“The freeway is like a raging river. People tend not to go across the freeway to get groceries.”

Now the City of Kirkland has made the neighborhood of Totem Lake a focus of intense and thoughtful planning for future growth. The neighborhood was identified as an urban center by the King County Growth Management Planning Council in 2003, and the City of Kirkland has planned for Totem Lake to accommodate more than 4,000 new residents and 17,000 new jobs by 2031.

Study Areas

The ULI Totem Lake Case Study area includes two selected sections of Totem Lake where planning and investment can make a great deal of difference in the future of the urban center.

The first is the Totem Lake natural area and the commercial areas directly to the north and west of it along Northeast Totem Lake Way and to the south along Northeast 124th Street. The natural area is dominated by wetland habitat, which has been made partially accessible with a system of boardwalks and platforms crossing it. Public access to the park and wetlands is very restricted and hard to find, with shared parking behind a pawnshop. Privately owned parcels around the natural area present potential for redevelopment.

The second is a commercial area in the southeast quadrant of Totem Lake, to the west of 124th Avenue Northeast and east of I-405, known as Totem Square or TL5 and filled with primarily one-story uses from warehouses to offices and flex-space. It is bounded on the northwest by the railroad corridor, and meets Northeast 124th Street at the north. The western portion of the site is situated at an elevation somewhat lower than the freeway. There has been some conceptual planning here, and the current vision would break up the superblock with new streets and pathways that encourage



redevelopment as a mixed-use, pedestrian neighborhood connected with the railroad corridor. Extending 123rd Avenue Northeast northward from Northeast 116th Street would serve as an internal circulation spine for the neighborhood, and a crossing over the railroad corridor would connect this district to the northeast quadrant of the business district. The planned changes involve more dense development next to the railroad corridor and I-405, along with the following improvements: a network of sidewalks; plantings; a small park and gateway elements; strategically located parking and parking structures; and a more intensive pedestrian environment along 124th Avenue Northeast.

Economic Assets

Several major assets will play an important role in the future of the City.

Railroad corridor: The City is now exploring acquisition of the abandoned railroad corridor itself, which runs northeast to southwest through the Totem Lake Urban Center, and between the two sectors of the study area.



“With a trail going right through Totem Lake—people will get it right away.”

Totem Lake Mall: The 26-acre Totem Lake Mall, originally built in 1973, has been seen as a key redevelopment opportunity. A master plan for redevelopment, approved through design review in 2005, has not yet been implemented due to a protracted lawsuit between the mall’s two private owners. The approved development made use of new zoning regulations adopted in 2002 that would increase the height limits for the site to 75 feet and 135 feet in order to accommodate ground floor retail in addition to upper story office and residential space. With a \$15 million commitment from the City of Kirkland, the approved plan would break the highway strip-style character of the mall by adding a new east-west boulevard through the center, together with other road improvements.

Evergreen Hospital: Evergreen Hospital is the City’s largest employer, with more than 3,000 workers. The City has adopted a master plan for the hospital, raising the height limit from 75 to 150 feet concurrent with the commitment to accommodate a transit center on site. A 9-story building, emergency center, medical office building and transit center have already been developed, and there are plans to nearly

double the current square footage for a total of 2.25 million square feet.

Transit Center: The transit center on Northeast 128th Street, which is important to Urban Center status as defined by the Puget Sound Regional Council, is collocated with two office buildings and below-grade parking, has six bus bays and attractive, sheltered passenger waiting areas, plus layover space. It is within walking distance of a park-and-ride lot, and close to the street overpass and freeway station with direct access to and from high-occupancy vehicle lanes on I-405. Street improvements along 128th Street provide a pedestrian connection between the hospital and transit center and the freeway station. The freeway station is served by Sound Transit Express and Metro buses. There are also pedestrian links to nearby Kingsgate Park-and-Ride.

Businesses and Institutions: Totem Lake is home to numerous businesses, including: medical practices associated with the hospital; advanced manufacturing and light assembly plants; and auto dealers, an important source of sales tax revenue for the City. Also near the plan area to the southeast is another major institution, Lake Washington Institute of Technology, now expanded with a newly opened allied health building.

**PLANNING AND
SCALE OF DEVELOPMENT**

Consistent with the urban center designation, current zoning allows high-intensity development, subject to stipulations that it is designed to an urban form and is supported by an urban level of infrastructure. However, urban density is a long-term vision. Redevelopment opportunities in the near term may fall short of desired densities but do not preclude the creation of an attractive, pedestrian environment—and more dense development when the local market matures.



an attractive, pedestrian environment—and more dense development when the local market matures.

“Anybody can build an empty building. Don’t do too much too early.”

Density and Timing

The current vision for long-term development is appropriate, but only when coupled with transit capacity improvements. Investments must be prioritized by corridor, and access improved along with the pedestrian environment.



Redmond Town Center

But the current economic environment has stalled the desired transformation of suburban hubs into higher-density forms of development. Current rents will not support heightened density in most suburban markets. In the study area, it is hard to envision mixed-use construction in heights of more than two to three stories. It was possible to envision taller buildings in recent history, but it would be risky and unrealistic to expect construction of this intensity in the foreseeable future

in Totem Lake. Residential development might be more likely to include low-rise “garden style” projects with courtyards, rather than mid-to-high-rise developments.

Timing for short and long-term development is important. In the near term, the mall and the hospital are critical for the success of the entire district. City resources should be devoted to making Totem Lake Mall work, because mall development is the most transformational center of private development in the district. The City should also continue to support the growth of the hospital and associated uses, including medical office and assisted living uses, because this is the best sector for living wage jobs and long-term stability.

TL5 Strategies

Outside the mall and the hospital area, smaller-scale development—especially in the

“Put first dollars into one of the nodes. Invest money in individual quadrants to lift them up. Create a ‘there’.”

TL5 area—will serve as a catalyst for future development. This area, west of 124th Avenue Northeast, is a special case, where the City has a vision for creating a pedestrian environment and attracting investment in mixed-use development from the private sector.

The City’s street grid concept is a desirable urban design approach for the district and appropriate for the long term, but economically difficult to achieve. Even in the mid-term, it is hard to envision mixed-use construction in heights of more than two or three stories. Today’s rents do not support structured parking.



The City would do well to focus planning and resources on an even smaller scale of development within TL5, a “quadrant within a quadrant.”

Retail demand is market-driven, and the City should not insist on ground-floor retail. As an interim measure, the City may be well advised to require that ground floor space be built with higher ceilings and other infrastructure to accommodate future conversion to retail.

*“Big projects are harder to finance.
Allow something smaller to happen.”*

Floor Area Ratio (FAR) limits are a serious inhibition to development, but not in today’s flat market. When the market improves, the City will need a higher FAR. However, zoning is not the best mechanism to reach the City’s goals in today’s market. In the near term, the City might choose to facilitate a negotiated development proposal that serves some of the goals for a pedestrian environment while providing flexibility on FAR, street grid or retail requirements for the private developer.

The City should work with property owners to identify near-term opportunities and focus resources there. At the same time, it will be in a position to leverage amenities in transformational projects such as the trail corridor, a Totem Lake natural area revitalization plan, and various types of connectivity with amenities and transit.

**MAJOR
INVESTMENTS**

The City is contemplating potential investments in three areas in particular: transportation, Totem Lake natural area and the railroad corridor.

*“First, do no harm. I sense a
little bit of desperation.
Take it easy.”*

Transportation

The study area is bisected by arterial streets carrying high traffic volumes and creating large blocks. Plans call for a limited number of traffic capacity improvements, however actual capacity appears sufficient. Wayfinding improvements may be a better use of resources.

Plans also call for improving street connections and breaking up blocks with internal street grids, possibly with private developer partners. The City should consider

acting on this decision unilaterally, removing a potential barrier to future development, or investing in concert with an adopted plan, as with the City’s agreement on the Totem Lake Mall. This approach should be coupled with patience for the slow return of the market.



Totem Square - Future Internal Road

Connectivity to employment bases is critical. A potential “flyer” stop (a pullover addition to I-405, similar to Montlake Station on SR-520), to connect with busses from the expressway on Northeast 116th Street, may be considered.

The barrier of the freeway bisects Totem Lake in ways that cannot be surmounted. There is a clear need to connect the north and south quadrants on the

east side of I-405, and the plan to extend 123rd Avenue Northeast with a bridge over the railroad corridor is a good start.

The purchase and redevelopment of the railroad corridor itself has the potential to connect three of the four quadrants. This is by far the most practical of the connecting strategies and deserving of top priority, as it also yields multiple benefits as an amenity for all new development.

The Lake

The lake itself can become the heart of a redeveloping neighborhood and a place with which Totem Lake residents, existing and new, can truly identify.



The water surface of the lake is insignificant compared with its presence as a wetland and green open space, and its iconic, namesake value. The lake and park are in a position to attain placemaking status for the neighborhood, and become a stopping point and oasis along the railroad corridor. A strong design vision and concept is essential.

There are few places in the community to overlook the park and lake area, and surrounding properties are subject to strict environmental regulations. But there are clearly re-developable parcels adjacent to the natural area. The City may explore acquisition of key parcels in the future.



Marina Park, offering upland park amenities

Totem Lake’s current lack of recreational amenities limits its appeal for residential uses. The lake’s presence can be realized and its value leveraged by creating active, upland park amenities that serve the City at large. It would be reasonable to invest

“Go big or go home.”

in study, design and master planning for the park area, with the strategic objective of garnering support among businesses and the public at large for construction of upland, active areas. A new entry area, walking corridors, playfields, and even off-leash areas might be part of the mix, given appropriate protections for wetlands. Studies might include investigation of the possibilities for expansion of the lake as a storm water detention area. An ambitious storm water retention and filtration plan might be leveraged to gain support for strategic land acquisition and upland landscape design and construction.



Water exiting the west side of the lake is currently piped to the west side of I-405, where it becomes a tributary of Juanita Creek. The potential of daylighting or openly exposing the stream, and making it an amenity as well as part of a flood control strategy, has become a question for planners and local leaders.

Because the course seems to run along I-405, daylighting is unlikely to have a major bearing on development, and could be a political and regulatory quagmire. There are lessons to be learned from Northgate’s Thornton Creek. If it helps the City to daylight it as part of a flood control strategy, it would be an independent consideration.

The expansion of the Totem Lake natural area into a more active, park-like open space may be financially overwhelming, and constraints must be recognized. How-

ever, the effort might be made part of a “Rails to Trails” project that offers access to Federal funds. Also, as an amenity to the City-at-large, fundraising efforts can be spread among many stakeholders, including local businesses. All of this could be synergistic with new residential development between Northeast 124th Street and the railroad corridor.

BNSF Corridor (railroad corridor)

The unused Burlington Northern Santa Fe railroad right-of-way (railroad corridor) is now owned by the Port of Seattle and runs through Totem Lake, extending southward through Kirkland and the Bellevue. The corridor could become a key asset for attracting development to Totem Lake, through purchase by the City of Kirkland or King County.

There is obvious value in developing the 100-foot-wide corridor as a bicycle and pedestrian trail, even as it retains its potential for future regional rail transit. To maximize its potential for contributing to the distinctive attraction of Totem Lake, the program might extend the uses of the trail to include modes of individual transportation like small electric vehicles: carts, scooters, and Segways.

The development of the trail has the potential to brand Kirkland as progressive on transportation and add substantially to individual mobility within the urban center. As an amenity, it can attract office employees and commuting workers to use the trail to access retailers and recreational areas. It has the distinct advantage, among transportation investments, of the ability to connect three of the four quadrants of Totem Lake, crossing under I-405.



Figure TL-9: Totem Lake – Existing and Proposed Pedestrian System

Totem Lake Pedestrian System

MARKETS

Private investment in the Totem Lake neighborhood will follow shifting opportunities in three different market sectors—retail, residential and office. Each of these will provide support for the others, and contribute to a livable pedestrian environment.

“Totem Lake could become the backyard for all those Bellevue uses as [Bellevue] becomes more dense.”

Retail

Despite its decline and stalled redevelopment, the mall retains the best potential for retail development and jobs. But its success may depend upon the targeting of particular types of retail franchises.

“You are not going to get quality dining unless there is a theater.”

This is not a market for fashion tenants (H&M, J. Crew, American Eagle). Development capital in this sector is focused in competing urban areas. A more realistic niche would include “medium box” stores (e.g. Best Buy, Designer Shoe Warehouse), and value anchors (e.g. Target, Kohl’s, J.C. Penney). But timing is not good for these businesses at present. The typical rents for these sectors, which currently hover at a net effective rent of around \$12 per square foot, are simply not high enough to support new construction. Rents are unlikely to support new development in the foreseeable future, especially with structured parking.

On the restaurant side, there seems to be plenty of potential for lunch spots, but sit-down restaurants require a cinema or some other evening attraction to survive.

Residential

The residential market is very cost-sensitive in the foreseeable future. The Totem Lake area competes primarily on price, as it lacks the amenities of town centers such as Bellevue and Redmond. Higher-density residential development is now focused almost exclusively on “core” centers like these, and Totem Lake must capitalize on access to larger employment centers and transit to Bellevue.

Amenities such as trails and open space are critical, and the southeast quadrant offers particularly exciting potential for residential development due to trail access through the railroad corridor. A growing employment base and stronger retail amenities will also enhance Totem Lake’s competitive position in the future.

Office

Given the soft market conditions prevailing in Bellevue and throughout the East-side in general, there is little potential for office development in the near term, with the possible exception of medical office. Strong freeway access, proximity to executive housing along Lake Washington and a growing labor base to the north help to put Totem Lake in a good position for future office development, which may be warranted once the Bellevue market tightens. Stronger retail amenities would strengthen Totem Lake’s competitive position.

The proximity of executive housing along Lake Washington helps to put Totem Lake in a good position for office development in the future.

When development does resume, it will probably demand surface parking. This would likely be pegged at 4.0/1,000-square-foot ratio, or “commodity office.”

“Headquarters of small, regional firms love Totem Lake. The executives live down the lake and they don’t want to drive to Bothell.”

OVERVIEW AND CONCLUSION

Totem Lake will benefit from intense planning efforts now underway, which are laying the groundwork for appropriate private development and public investment. But its potential as a thriving urban center, an attractive place to live and a generator of future jobs is inhibited by two significant factors: I-405 and the present economic slump.

The most basic of these is the presence of the interstate, which physically divides Totem Lake east from west, presenting a formidable barrier to bicyclists and pedestrians, as well as local motorists. More subtle but perhaps just as important are the legacies of auto-dependent development and the regional association of the name “Totem Lake” with a mall along the freeway.

*“Go back ten years in Bellevue. Ten years ago,
Bellevue was nowhere.”*

Because of the recession, efforts to shape private development through zoning and recapture a share of the retail market are unlikely to bear fruit in the foreseeable



future. These challenges are balanced by the advantage of a large institution and major employer, Evergreen Hospital, within the planned urban center. Another thriving institution, Lake Washington Institute of Technology, will generate jobs and attract residents. Employers in the emerging high-tech centers of Kirkland can be expected to consider investing in Totem Lake.

To encourage this process, the City can claim the enormous advantage of Totem Lake Park and the potential for opening and redeveloping the railroad corridor. The significance of the Totem Lake namesake natural area, which includes the wetlands and small lake, far exceeds its physical size and current visibility. Tapping its potential, which would mean substantial commitment and investment, involves protecting and enhancing its natural function while making it more accessible and linking it

*“This is a good time for
patience.”*

with other open space resources, trails and developing pedestrian infrastructure.

With strategic design, investments and marketing, the lake represents a unique opportunity to actually rebrand the community without changing its name. Totem Lake will be associated with a natural feature and desirable place to live and work. This shift will ultimately benefit a new generation of retail in Totem Lake, both inside and outside the mall.

Transit connections to major job centers will help to consolidate demand for housing in the neighborhood. Realistic expectations for retail partners will encourage redevelopment of the mall, coupled with the adopted plan for tying it in with the surrounding street grid and the evolving pedestrian environment.

The City of Kirkland has embarked on a series of strategies that, with patience, will help to transform Totem Lake from a declining business district to a true urban center with new jobs and attractive, affordable neighborhood for living as well as

ULI Seattle Technical Assistance Panel Professional Biographies

- ***Al Levine, Seattle Housing Authority, Panel Chair*** As Deputy Executive Director of the Seattle Housing Authority (SHA), Al Levine oversees SHA's Development, Construction and Asset Management programs. Under his leadership, the agency has undertaken five HOPE VI redevelopment projects including High Point, which received the 2007 ULI Global Award for Excellence, and NewHolly, recipient of the HUD-CNU Award for Changing the Face of America's Public Housing. Al received his B.A. from Hunter College of the City University of New York, and his Masters in Urban Planning from the University of Washington. Al currently serves on the Advisory Board of ULI Seattle, serves as adjunct faculty for the College of Built Environments at the University of Washington, and is a member of the College's Department of Planning and Urban Design Professional's Council. He has also served on the Pike Place Market Historical Commission and the Boards of Directors for Common Ground and the Housing Development Consortium of Seattle-King County.
- ***Chris Bitter, University of Washington College of Built Environments, Panelist*** Christopher Bitter is an Assistant Professor with the University of Washington's Runstad Center for Real Estate Studies, where he teaches graduate courses in Urban Land Economics, Real Estate Market Analysis, and Real Estate Valuation. Chris earned his doctorate from the Department of Geography and Regional Development at the University of Arizona and served as a faculty member in the same department. Prior to pursuing an academic career, he worked for ten years in the private sector as a real estate and urban economist, most recently with RREEF, a leading institutional real estate investment advisor. Chris's research focuses on urban economics, real estate market analysis and strategy, and sustainable urban development. He is currently studying the implications of demographic change for cities and real estate markets and analyzing the market context for compact development.
- ***Chris Cole, Sher Partners, Panelist*** Chris Cole is the President of Sher Partners in Bellevue. Sher Partners' development arm, Metrovation, is a nationally recognized retail development company. Known regionally for its repositioning of Crossroads Shopping Center in Bellevue, the company is also redeveloping several key downtown blocks in Bremerton. Nationally, the company's current projects include the redevelopment of Five Points Plaza, a well-positioned lifestyle center in Huntington Beach, CA, and numerous projects in New Jersey including the development of a 50,000 sf office building, development and repositioning of a 140,000 of shopping center, and redevelopment of a 92-unit mixed-use multifamily project. Chris holds a B.A. in Business from Babson University and a Masters degree in Real Estate and Construction Management from the University of Denver.
- ***Grace Crunican, Crunican Consulting, Panelist*** Grace Crunican is a transportation consultant living in Seattle. For the past eight years she was the Director of the Department of Transportation for the City of Seattle. Her previous posts include serving as Director of the Oregon Department of Transportation, Deputy Administrator for the Federal Transportation Administration, director of the Surface Transportation Policy project, and Deputy Director of the City of Portland, Office of Transportation.
- ***Susie Detmer, Cushman & Wakefield, Panelist*** As Senior Director of retail brokerage for Cushman & Wakefield, Commerce Real Estate Solutions of Washington, Susie Detmer brings more than 30 years of retail experience to her clients. Having served in executive positions with national and regional retailers, Susie has first-hand knowledge of the way retail tenants approach the market. Her retailing background includes the management of real estate leasing and sales, site acquisition and disposition, operations, financial and strategic planning, merchandising, marketing and advertising departments. Susie is a member of Cushman & Wakefield's International Executive Retail Services Committee, and the governing and strategic planning arm of retail brokerage for Cushman & Wakefield, Inc. Prior to joining Cushman & Wakefield, Susie was a Vice President with CB Richard Ellis in Seattle.

ULI Seattle Technical Assistance Panel Professional Biographies

- **Kerry Nicholson, ULI Seattle Chair, Legacy Partners, Panelist** Since 1999, Kerry Nicholson has led Legacy Partners' emergence as a leading developer, builder and manager of award-winning residential mixed-use projects in the Pacific Northwest. Prior to that, he had two decades of senior executive experience leading real estate construction lending teams at Wells Fargo, Bank of America, and GE Capital, including four years managing Special Credits and Bank REO teams for Bank of America. In 2010, Legacy teamed with KBS Capital Advisors to form a non-traded REIT called KBS Legacy Partners Apartment REIT. The company is in the process of attracting funds to invest in the acquisition and development of apartment communities across the United States.
- **Pete Stone, Trinity Real Estate, Panelist** Pete Stone is a seasoned real estate professional with more than 20 years of investment, development, asset management and consulting experience in all commercial real estate sectors, including office, industrial, apartment, hotel and retail. Pete is currently a Principal at Trinity Real Estate, a Seattle based real estate investment and advisory firm where Pete is focused primarily on acquiring under-performing assets as well as establishing and maintaining relationships with institutional capital partners. Prior to joining Trinity, Pete spent more than 11 years working at ING Clarion Partners, an institutional real estate investment management firm, where he closed over \$2 billion worth of investments. Pete has negotiated complex and creative investment structures, including joint ventures, mezzanine debt and preferred equity. Prior to ING, Pete spent several years with the US real estate subsidiary of Sumitomo Life, where he was in charge of a number of complex workouts and redevelopments for both hotel and office assets. Pete is a graduate of Cornell University (B.A.) and New York University (M.B.A.).
- **Chris Fiori, Heartland, Panelist** For the past six years Chris Fiori has worked with clients on predevelopment financial analysis, property acquisition and disposition strategy, land use policy, and the structuring of public/private development agreements. Chris holds Masters degrees in Urban Planning and Public Administration from the University of Washington, with a concentration in Real Estate through the Runstad Center for Real Estate Studies. Prior to enrolling in graduate studies, Chris worked for the Corporate Executive Board in Washington, DC, where he was a senior associate within the firm's wealth management consulting practice. Chris recently served as a member of the Seattle Planning Commission. Chris holds a Bachelor of Arts, Honors degree in Political Science from Gonzaga University.
- **Scott Matthews, Vulcan, Inc., Panelist** With more than 26 years of development and asset management experience, Scott Matthews leads Vulcan's West Coast acquisition effort for Vulcan Real Estate. Scott's experience spans multiple product types and markets with a concentration in high-density urban mixed-used projects. Before joining Vulcan, Scott was the Vice President and Area Partner with JPI in Seattle, and he worked for 8 years with Trammell Crow Residential in Portland and Seattle. He has a B.S. from the University of Missouri at Columbia.



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Proposed Totem Lake Code Amendments	
Changes Common to Multiple Zones	
Zones	Proposed Amendments
	<i>Ground Floor Use Requirements</i>
TL 4A,B,C TL 5 and TL 6B	For mixed use: Eliminate the requirement for 50% (in TL 4A,B,C and TL 6B) or 30% (TL 5) of the ground floor space to be in <i>retail</i> use and replace with a requirement for .2 Floor Area Ratio (FAR)* to be in <i>commercial</i> use. Provide criteria and process for modifications.
TL 5 and TL 6B	Delete requirement for retail/restaurant use within space along pedestrian or vehicular routes, or adjacent to pedestrian-oriented space. Add design regulation to ensure these spaces incorporate pedestrian-oriented design.
TL 4A,B,C TL 5, TL 6A,B	For mixed use: Eliminate restriction on ground floor residential use
TL 2 and TL 5	Revise “storefront orientation” to “pedestrian orientation”
	<i>Increase Building Height</i>
TL 1B TL 6A,B TL 10B TL 10C	Zones with residential height incentives: Increase maximum permitted building height for non-residential uses: <ul style="list-style-type: none"> a. TL 1B: Increase from 30’ to 45’ b. TL 6A,B: Increase from 35’ to 45’ c. TL 10B: Increase from 35’ to 45’ (other non-residential); increase from 40’ to 55’ (office and high tech). Require dedication and improvement of 118th Ave NE through the zone. d. TL 10C: Increase from 35’ to 45’ (other non-residential), increase from 40’ to 45’ (office and high tech).
TL 4A,B,C TL 8 TL 10A	Zones without residential height incentives: Increase maximum permitted building height for non-residential uses: <ul style="list-style-type: none"> a. TL 4A,B: Increase from 30’-35’ to 65’ b. TL 4C: Increase from 45’ to 65’ c. TL 8: Increase from 35’ to 65’ d. TL 10A: Increase retail from 35’ to 65’ (retain 25’ next to low density zones).
TL 1B	Increase maximum permitted building height from 30’ to 35’ adjoining residential zones.
TL 2	TL 2: Increase maximum permitted building height from 75’ to 90’, and change 5% to 10% allowed up to 135’
TL 5	Eliminate building height step-back requirement next to NE 116 th Street. Add design regulation to implement gateway guidelines.
TL 7	TL 7: Increase maximum permitted building height from 35’ to 45’

	<i>Eliminate Maximum Floor Area Ratio (FAR)*</i>
TL 1A,B TL 5	Eliminate maximum FAR for buildings 65' or less in height: a. TL 1A and 1B: For buildings higher than 65', retain maximum FAR of 2.0 for office and 3.0 for residential b. TL 5: For buildings higher than 65', retain maximum FAR of 2.0 for office and establish maximum FAR of 2.5 for residential.
	<i>Reduce Minimum Ground Floor Height</i>
TL 1A,B, TL 4A,B,C,TL 5, TL 6A,B, TL 8	Reduce minimum ground floor height from 15' to 13'.
	<i>Reduce Required Front Setback</i>
TL 4, TL 7, TL 9A, TL 10A,B,C,D,E	Reduce front setback from 20' to 10'.
	<i>Reduce Design Review Process</i>
TL 7, TL 10C and TL 10D	TL 10C, D: Reduce process from Design Review Board (DRB) review to Administrative Design Review for development up to 30' in height. Retain DRB where property abuts public street or Cross Kirkland Corridor. TL 7: North and east of Cross Kirkland Corridor: Eliminate design review. South of railroad corridor: Change process to staff review for compliance with design guidelines (regulations in Chap 92 will not apply).
	<i>Clean-up</i>
TL 1 and TL 10	Consolidate subareas into a single chart for each zone.
Changes to Individual Zones	
TL 1B	Restrict office use in mixed use to 1.0 FAR* in lieu of use of percentage restriction (10%)
TL 3A,B,C,D	Reduce Master Plan review process to Process IIA (Hearing Examiner)
TL 3A and B	Miscellaneous revisions: a. Revise lot coverage requirement to state "85%" b. Eliminate requirement for transit center (SR 6.a and 6.b)
TL 5	Miscellaneous revisions: a. Eliminate minimum acreage requirement for Conceptual Master Plan. b. Revise "retail" to "pedestrian" in SR 3.c c. Revise to state "the appearance of multiple tenant spaces in SR 3." d. Revise language for public street dedication and improvement
TL 7	Throughout zone: a. Delete Section .140 (Multi-use/mixed use listing) b. Sections .010-.050 – expand allowable percentage of gross floor area in accessory retail sales, office or service from 20% to 35% Additional revisions: c. South of Cross Kirkland Corridor: Revise Section 130 to remove minimum size requirement for individual retail uses d. North and east of Cross Kirkland Corridor: Delete Section .130 (Retail, Variety or Department Store)
TL 8	Eliminate requirement for landscape berms along 120 th Ave NE & Totem Lake Way.
TL 10B	Add "Vehicle or boat repair, services, washing or rental" as a permitted use on properties abutting 120 th Avenue NE.
TL 10E	Correct error in sign category – change from A to E for "Vehicle or boat repair, services, washing or rental" use.

**(Floor Area Ratio (FAR) is the maximum floor area allowed as a percentage of the lot area.)*

Chapter 5 – DEFINITIONS

Sections:

[5.05](#) User Guide

[5.10](#) Definitions

5.05 User Guide

The definitions in this chapter apply for this code. Also see definitions contained in Chapter [83](#) KZC for shoreline management, Chapter [90](#) KZC for drainage basins, Chapter [95](#) KZC for tree management and required landscaping, and Chapter [113](#) KZC for cottage, carriage and two/three-unit homes that are applicable to those chapters.

5.10 Definitions

.140 Commercial Recreation Area and Use

– An area and use operated for profit, with private facilities, equipment or services for recreational purposes, including swimming pools, tennis courts, playgrounds and other similar uses. The use of such an area may be limited to private membership or may be open to the public upon the payment of a fee.

.XXX Commercial Use

- A place of employment or a commercial enterprise that meets the definition of Office Use, Retail Establishment, Restaurant or Tavern, or Entertainment, Cultural and/or Recreational Facility.

145 Commercial Zones

– The following zones: BN; BNA; BC; BC 1; BC 2; BCX; CBD; JBD 1; JBD 2; JBD 4; JBD 5; JBD 6; MSC 2; MSC 3; NRH 1A; NRH 1B; NRH 4; RH 1A; RH 1B; RH 2A; RH 2B; RH 2C; RH 3; RH 5A; RH 5B; RH 5C; RH 7; TL 2; TL 4A; TL 4B; TL 4C; TL 5; TL 6A; TL 6B; TL 8; YBD 2; YBD 3.

