Council Meeting: 12/14/2021 Agenda: Study Session Item #: 3. a.



# **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Adam Weinstein, Planning & Building Director

Jeremy McMahan, Planning & Building Deputy Director

Allison Zike, Senior Planner

**Date:** December 10, 2021

**Subject:** NE 85<sup>TH</sup> ST STATION AREA PLAN – CITY COUNCIL MEETING, FILE NO.

CAM20-00153

### STAFF RECOMMENDATION

Receive a briefing on the NE 85<sup>th</sup> St Station Area Plan Preferred Plan Direction in preparation to adopt Resolution R-5503 confirming the Preferred Plan Direction as part of the December 14 Business agenda, and directing development of the associated Comprehensive Plan and Zoning Code amendments and a Planned Action Ordinance(s) to be prepared for adoption in 2022. The Preferred Plan Direction establishes the outer envelope of development that could occur as part of the Station Area Plan.

### **BACKGROUND**

With the passage of the 2019-2020 budget, City Council authorized creation of a Station Area Plan associated with the Sound Transit Bus Rapid Transit (BRT) station planned for the I-405/NE 85<sup>th</sup> Street interchange.

This budget direction was affirmed on February 19, 2019 when the City Council adopted Resolution R-5356 approving the 2019-2020 Priority Goals and City Work Program. One of the twelve City Work Plan initiatives related to developing the Station Area Plan is shown in the following excerpt from R-5356:

Continue partnerships with Sound Transit, the State Department of Transportation and King County Metro Transit to ensure that I-405 investments serve Kirkland's mobility needs and maximize the benefit of Sound Transit's NE 85<sup>th</sup> Street/I-405 Bus Rapid Transit interchange project by completing land use, zoning, and economic development plans for areas adjacent to the interchange project to further the goals of Balanced Transportation and Economic Development.

The BRT station, anticipated to be operational in 2026, will provide the Station Area with frequent high capacity transit service to regional destinations and transit connections. The intent of the Station Area Plan is to fully leverage this significant, voter-approved, regional investment in transit with a land use plan that would result in a walkable, equitable, sustainable, and complete transit-oriented neighborhood that will provide affordable housing, school capacity, park amenities, family wage jobs, and commercial and retail services.

City Council last discussed the Station Area Plan at their <u>November 16 Joint Study Session</u> with the Planning Commission, where staff confirmed the Council direction provided at the <u>October 26 Council Study Session</u> and presented progress made towards the draft Preferred Plan Direction.

### COUNCIL DIRECTION FOR DRAFT PREFERRED PLAN DIRECTION DEVELOPMENT

At the October 26 study session, staff had three primary questions for Council based on the results of the Fiscal Impacts and Community Benefits Analysis. Direction based on those questions, and additional direction received from Council at the October 26 meeting follows. Clarification from Councilmembers and comments received from Planning Commissioners at the November 16 study session are noted.

# City Council Comments

- Staff should proceed with drafting a Preferred Plan Direction based on June Alternative B.
- Staff should continue to develop the proposed solutions to capital funding for future infrastructure projects that were included in the Fiscal Impacts and Community Benefits Analysis Technical Memorandum.
- Staff should continue to develop the proposed community benefits strategies (Tax Increment Financing district(s), Commercial Linkage fees, and a Density Bonus program) that were included in the Fiscal Impacts and Community Benefits Analysis Technical Memorandum.
- Develop a bold vision for open space, parks and green infrastructure, including green roofs. Creative solutions for open space and parks presented in the study (e.g., linear parks, pocket parks, public plazas) should not be the only solutions explored, and the project team should continue to consider opportunities for community park spaces. Current park level-of-service standards should be reevaluated City-wide to adapt to new patterns of growth and demographic needs.
- Develop a bolder vision for active transportation (e.g., walking, rolling, biking) than exhibited by the representative infrastructure projects designed to inform the Fiscal Impacts and Community Benefits analysis. The transportation vision should be as bold as the land use vision and ensure that transit is reliable throughout the Station Area. The project team should focus on active park-like transportation connections between the Station Area and Downtown, and develop robust bike facilities on streets like 122<sup>nd</sup> Ave NE and 124<sup>th</sup> Ave NE.
- Incorporate sustainability measures as a baseline requirement for future development.
  - <u>November 16 Council Clarification</u>: Council wants to see both options exploredoptions for some level of baseline sustainability and green infrastructure requirements, and other sustainability and green infrastructure measures within a density bonus program.
- Continue working on resolving transitions between areas of different height with future planning efforts.
- Continue to coordinate with Lake Washington School District on expanding future school capacity to accommodate growth in the area.

- Provide additional transportation study that includes: 1) bike and pedestrian person trips analysis, and 2) corridor analysis for transit capacity and travel time.
  - November 16 Council Clarification: The intent of this analysis should be to understand the mode-share goals we aspire to achieve in the Station Area, and the necessary timing for infrastructure to support mode share goals.
- <u>November 16 Council Clarification</u>: Maximizing affordable housing opportunities should be explicitly stated in this list to clearly communicate Council's direction to the community.

# **Planning Commission Comments**

- The project team should continue to develop graphics that depict the vision and potential future build-out of the Station Area.
- The Commission agreed with the Council's emphasis on the importance of planning for improvements to the Active Transportation network.
- There should be continued focus on how the community can receive benefits from future growth, particularly for Open Space/Parks.
- The City should continue to explore how the Station Area Plan can contribute to solutions for future school capacity.

# DRAFT PREFERRED PLAN DIRECTION - ADOPTION BY RESOLUTION

Staff is recommending that Council adopt Resolution R-5503 to confirm the Preferred Plan Direction (see Attachment 1) based on prior Council direction around June Alternative B. The Preferred Plan direction is not intended to represent a complete plan, policies, or form-based code. Rather, the intent is that the resolution and Preferred Plan Direction will:

- Reflect the legislative intent of the City Council for the general type and intensity of development for inclusion in the Final Supplemental Impact Statement (SEIS) that will be administratively issued by the end of 2021;
- Help provide direction for future Planned Action Ordinance(s) or related legislative action such as development agreements, that will facilitate future private development and public infrastructure;
- Encapsulate Station Area analysis and work completed, and Council and community input received to-date; and
- Establish clear direction for the work of the Planning Commission, staff, and consultant team in 2022 by setting a framework for final plan and code development.

The Preferred Plan Direction includes the following components; each component is summarized below. Exhibit A to Resolution R-5503 (see Attachment 1) includes complete descriptions of each component with accompanying maps and graphics.

# Long Range Vision for the Station Area

Resolution R-5503 will adopt a conceptual long range vision for the Station Area Plan that will be refined as the plan is developed. The draft vision statement states that the Station Area is a thriving, new walkable urban center with high tech jobs, plentiful affordable housing, and sustainable buildings, shops, and restaurants linked by transit.

The long range vision also includes the following components:

- Description of growth expectations. The long range vision includes the growth capacity
  of the chosen alternative (June Alternative B) by the year 2044.
- Framework for community benefits and recommended strategies. This framework will
  confirm the previous Council direction to continue to develop the recommended
  strategies to achieve community benefits including, but not limited to, commercial
  linkage fees, Tax Increment Financing (TIF) district(s), and a density bonus/incentive
  program.

# <u>Implementation Framework for the Station Area (basis for form-based code)</u>

 Future character zones map and tables. The character zones adopted in the Preferred Plan Direction will set a vision for each distinct district within the Station Area; they will set the "guideposts" for what the future development regulations and implementation of community benefits strategies should achieve.

The draft Preferred Plan Direction proposes five distinct character districts, shown in the following figure and described below.

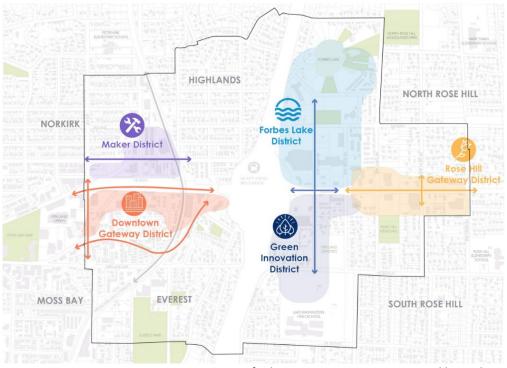


Figure 1: Draft Character District Map, prepared by Mithun

# The character districts and vision statements are:

- Maker District: Pedestrian-oriented district building on Norkirk's character and excellent Cross Kirkland Corridor (CKC) trail connections. 7<sup>th</sup> Ave becomes a lively connection between the BRT drop-off and Downtown. The traditional mixed industrial/commercial character of the area is recognized while encouraging more urban uses supporting "maker" activities, and locally-owned small businesses.
- Downtown Gateway District: Gateway district to Downtown Kirkland via 6<sup>th</sup> St that emphasizes mid-rise residential and office buildings along 6<sup>th</sup> and important

- bicycle and pedestrian connections along green pathways to and from the BRT station and the CKC.
- Forbes Lake District: A walkable mixed-use district with opportunities for shops and office uses as well as mid-rise residential uses, organized around a green main street corridor with retail and active uses combined with small open spaces on 120<sup>th</sup> that connects to Forbes Lake. Biophilic design and visible water, energy, and biodiversity strategies tell the story in this place.
- Green Innovation District: This vibrant, mixed-use district is a model of innovation and place for community, students, and the workforce to connect. It transitions from shops and office uses to townhouses, small apartment buildings, and civic uses. Active transportation choices, connection to green space, and a walkable 120<sup>th</sup> Ave NE offer a healthy lifestyle. Views abound.
- Rose Hill Gateway District: Corridor-based gateway with a mix of active ground floors and mid-rise residential buildings along NE 85<sup>th</sup> that focuses on creating a strong sense of arrival from Redmond with streetscape design, public art, and urban design features
- Regulating Districts map (i.e., draft form-based zoning districts). The regulating districts
  adopted in the Preferred Plan Direction will set the framework for future development
  regulations unique to each district, and will establish the general maximum allowable
  height for the district that will be refined to incorporate standards for height transitions
  (e.g., setbacks, upper-story step backs, land use buffers, floor plate limits, etc.). A range
  of community benefits will be required to achieve the maximum height and development
  potential.

The draft Preferred Plan Direction proposes five regulating districts, shown in the following figure and described below.

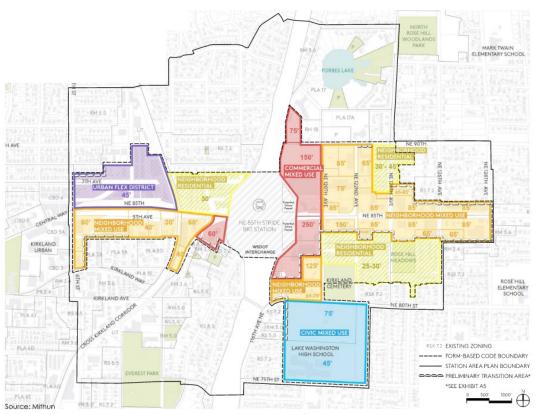


Figure 2: Draft Regulating District Map, prepared by Mithun

- Urban Flex District: Require uses consistent with the light industrial history of the area that are also compatible with a walkable urban neighborhood. Upper-story residential, light manufacturing, commercial, retail, and civic/institutional uses will be allowed. Maximum heights set at 45'.
- Commercial Mixed Use: Require uses consistent with large scale commercial and office development. Office, commercial, retail, and civic/institutional uses will be allowed. Maximum heights range from 60' west of I-405 to 250' east of I-405.
- Neighborhood Mixed Use: Require uses consistent with a mid-rise urban residential neighborhood. Residential, office, commercial, retail, and civic/institutional uses will be allowed. Maximum heights range from 40-60' west of I-405 to 65-150' east of I-405.
- Residential Neighborhood: Require uses consistent with residential neighborhoods that transition to existing lower density residential areas. Smaller scale residential and retail buildings, including "missing middle" housing types will be allowed. Maximum heights range from 30-45'.
- Civic Mixed Use: Require uses consistent with civic functions including education facilities, while preserving flexibility for additional uses in the future.
   Educational, residential, and retail uses will be allowed. Maximum heights range from 45-75'.
- Future street and frontage types map and tables. The street and frontage types begin
  to establish a foundation for how the form-based code will regulate how building types
  interact with the public realm. The maps and tables in the Preferred Plan Direction will

distinguish the general character and travel-mode priorities for each street type, and establish an initial idea of what types of building frontages should be permitted on each street type.

Note that the future street types map in Exhibit A to Resolution R-5503 (see Attachment 1) shows 118<sup>th</sup> Ave NE as a Neighborhood Mixed Use street type, which will require a change to existing zoning regulations related to the use of 118<sup>th</sup>. This is shown in the Preferred Plan Direction to reflect staff's recommendation that the street provide an active transportation and vehicular connection to future redevelopment in the proposed Commercial Mixed Use zone to the north. This recommendation is based on existing City transportation policies to make strategic investments in intersections and street capacity to support existing and proposed land uses and to create a connected and resilient transportation network.

Given the publication deadline for the December 14 Council packet, staff expects there may be more detailed draft components presented at the December 14 meeting than are included in this memo.

# **COMMUNITY INPUT ON THE STATION AREA PLAN**

The community has provided input during all phases of the project, including as part of two community workshops, scoping for the environmental review, the formal comment period for the Draft SEIS, specific outreach using a variety of methods to connect with priority populations (as defined in the Equity Impact Analysis) that are most likely to be affected by the Station Area Plan, a City Council listening session in May 2021, a Community Q&A Session in November 2021, and feedback to staff, Planning Commission and Council sent by numerous community members.

Staff notes that there are some areas of concern from the community and Council that begin to be conceptually addressed in the Preferred Plan Direction with the more comprehensive work to be completed in developing the final Station Area Plan and Form-based Code. Those areas of concern include, but are not limited to, height transitions, adequacy of the active transportation network and transit capacity, traffic congestion, parking, ample provision of affordable housing, school capacity, and sustainability.

The project team continues to encourage members of the public to provide comments to the City's elected and appointed officials and the project team. Public comment may be made at all Council meetings under *Items from the Audience*, and via email directly to the Council or Planning staff at any time. Additional scheduled opportunities to participate in the planning process will be offered in 2022 through another community workshop, and as the project team begins work with the Planning Commission at public meetings and a public hearing to draft the final Station Area Plan and future Comprehensive Plan and Zoning Code amendments.

### SUPPLEMENTAL SCOPE AND MID-BIENNIAL BUDGET ADJUSTMENT

Council has directed staff to further develop community benefits strategies and additional transportation analysis. This additional work will require studies beyond the current scope for the project in order to develop more specific recommendations. City Finance staff included a rough cost estimate for these studies in the November 3 Mid-Biennial Budget Review packet. At

the December 14 Council meeting, Finance staff will be including Station Area supplemental items in the mid-biennial budget adjustments. The package will include costs for the requested nexus studies (commercial linkage fees) for development of affordable housing, Tax Increment Financing (TIF) feasibility and implementation studies, green infrastructure strategies, and requested supplemental transportation analysis.

# **NEXT STEPS**

The preliminary decision "road map" in Attachment 2 identifies when specific decisions towards the final plan, and for issues of concern, will be made in the planning process. Not all issues or decisions are included in the road map and the road map will likely be updated and expanded over time.

While the Preferred Plan direction is not intended to represent a complete plan, policies, or form-based code, it does serve as the basis for a draft and final Station Area Plan, form-based code (zoning for the station area), Comprehensive Plan amendments, and a planned action ordinance(s) to be completed in 2022. The Preferred Plan will also guide any related legislative actions such as development agreements. Once adopted by resolution, the project team will use the Preferred Plan Direction to begin drafting the Final Station Area Plan, which will establish a 20-year roadmap to guide household and job growth, as well as supporting infrastructure in the Station Area.

Staff and the consulting team will begin legislative work in 2022 to draft the Final Plan and associated Zoning Code and Comprehensive Plan amendments. During this legislative process, within the bounds of the Preferred Plan Direction established by the City Council, the Planning Commission will study and recommend policies and regulations to guide future transit-oriented redevelopment of the station area and ensure that redevelopment aligns with the vision. Additionally, based on Council's feedback around the potential community benefits strategies recommended by the Fiscal Impacts and Community Benefits Analysis, the project team will complete supplemental studies and further refine the strategies the Council wishes to pursue for possible inclusion in the final plan. This work will include obtaining additional consulting resources to assist with developing green infrastructure strategies such as green energy and green landscaping options that reduce carbon emissions and improve air quality and water quality. Prior to making their recommendation, the Planning Commission will conduct a public hearing on the amendments and consider all public comment on the proposal. The final adoption of the Station Area Plan will be by City Council, anticipated in Late Spring or Early Summer 2022.

### **ATTACHMENTS**

- Resolution R-5503 Confirming the NE 85<sup>th</sup> St Station Area Plan Draft Preferred Plan Direction
  - A. Exhibit A: NE 85<sup>th</sup> St Station Area Plan- Draft Preferred Plan Direction
- 2. Station Area Plan Process Roadmap

### **RESOLUTION R-5503**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING AN  $85^{\text{TH}}$  STREET STATION AREA PREFERRED PLAN DIRECTION AND RELATED MATTERS.

WHEREAS, voters in the Puget Sound region approved Sound Transit 3 in 2016, a ballot measure to expand regional transit; and

WHEREAS, Sound Transit plans to implement a Bus Rapid Transit ("BRT") line along I-405 to connect to light rail service in Lynnwood and Bellevue and to fund the redevelopment of the I-405 interchange at NE 85<sup>th</sup> Street to include a BRT station; and

WHEREAS, the Washington State Growth Management Act ("GMA") sets goals that cities must address in their comprehensive plans, requires cities to update their comprehensive plans every 8 years, and address expected growth for the next 20 years; and

WHEREAS, the Puget Sound Regional Council ("PSRC") and/or King County County-wide Planning policies focus housing and jobs growth in urban centers; and

WHEREAS, the 2035 City of Kirkland Comprehensive Plan ("Comprehensive Plan") includes land use policies that support land use patterns to accommodate growth targets, focusing development near high-capacity transit, commercial redevelopment in Rose Hill, and transit-oriented development around the future BRT Station at NE 85<sup>th</sup> Street; and

WHEREAS, the North and South Rose Hill Neighborhood Plan was updated in 2018 and the Highlands and Norkirk Neighborhood Plans were updated in 2020 to reflect changing conditions, including the passage of ST 3 and plans for Sound Transit's BRT station at I-405 and NE 85th Street; and

WHEREAS, the Moss Bay and Everest Neighborhood Plans are being updated in 2021 to reflect changing conditions, including the passage of ST 3 and plans for Sound Transit's BRT station at I-405 and NE 85th Street; and

WHEREAS, on February 19, 2019, the City Council adopted Resolution R-5356 approving the 2019-2020 Priority Goals and City Work Program, which included an initiative to continue partnerships with Sound Transit, the State Department of Transportation, and King County Metro Transit to ensure that I-405 investments serve Kirkland's mobility

needs and maximize the benefit of Sound Transit's NE 85<sup>th</sup> Street/I-405 Bus Rapid Transit interchange project by completing land use, zoning, and economic development plans for areas adjacent to the interchange project to further the goals of Balanced Transportation and Economic Development; and

WHEREAS, in August 2019, the City issued a Request for Qualifications ("RFQ") for planning consulting services to support creation of an 85<sup>th</sup> Street Station Area Plan ("Station Area Plan"); and

WHEREAS, on September 3, 2019, the Council adopted Resolution R-5384 authorizing the submittal of applications to King County and PSRC for the Greater Downtown Kirkland Urban Center and adoption of a consolidated plan for the Greater Downtown, with the intent to include the future Station Area within the boundaries of the Greater Downtown Urban Center; and

WHEREAS, in October 2019, City Planning staff began development of an 85<sup>th</sup> Street Station Area Planning process; and

WHEREAS, in 2019 the Washington State Legislature passed E2SHB 1923, encouraging all cities planning under the GMA to increase residential building capacity, and in October 2019 the City was awarded \$150,000 in related grant assistance from the state Department of Commerce to include a Form-based Code and Planned Action Ordinance in the Station Area Plan; and

WHEREAS, on November 13, 2019, the Metropolitan King County Council adopted Ordinance 19007 to amend the 2012 King County Countywide Planning Policies to designate the Greater Downtown Kirkland Urban Center as an Urban Center, inclusive of the core areas surrounding the BRT Station of the Station Area Plan study area; and

WHEREAS, the City has applied to PSRC for a regional center designation for the greater downtown area, with PSRC review pending completion of the Station Area subarea plan and the Moss Bay Neighborhood subarea plan; and

WHEREAS, in February 2020, the City entered into a contract for consulting services as a result of the RFP with Mithun for creation of a Station Area Plan, including a Form-based Code, Supplemental Environmental Impact Statement, and a Planned Action Ordinance; and

WHEREAS, the City completed an Opportunities and Challenges Analysis to assist in identifying the vision, values, and goals for the Station Area Plan, and published the Station Area Plan Opportunities and Challenges Report on April 15, 2020; and WHEREAS, the City published the State Environmental Policy Act ("SEPA") Environmental Checklist and Scoping Notice for the Station Area planning process on May 26, 2020, held a scoping comment period from May 26, 2020 to June 16, 2020, and received public comments from 29 parties; and

WHEREAS, the City held the first public Community Workshop to discuss the identified Station Area Plan opportunities and challenges and gather community feedback on the initial concepts for the Station Area Plan on June 4, 2020; and

WHEREAS, the City published a Station Area Plan Market Analysis Report on June 16, 2020 that assessed the market conditions for the Station Area and suitability for new transit-oriented development; and

WHEREAS, City Council held a study session on July 21, 2020 to receive a briefing on the Station Area Plan initial concepts and provided feedback on the preliminary Draft Supplemental Environmental Impact Statement (SEIS) alternatives; and

WHEREAS, at their July 21, 2020 study session, the Council confirmed the following Station Area Plan Project Vision, Values, and Goals:

- 1. Project Vision: The NE 85<sup>th</sup> St Station Area Plan is a regional gateway district that supports transit, creates opportunity for all, and reflects Kirkland's unique identity.
- 2. Project Values: Livability, Sustainability, Equity.
- 3. Project Goals: Development Near Transit, Connected Kirkland, Inclusive District.

WHEREAS, the City published the Station Area Plan Draft SEIS that evaluated three Station Area Plan alternatives on January 5, 2021, which opened a 30-day Draft SEIS public comment period and identified a Project Objective to leverage the WSDOT/Sound Transit I-405 and NE 85<sup>th</sup> St Interchange and inline Stride BRT station regional transit investment to maximize transit-oriented development and create the most: opportunity for an inclusive, diverse, and welcoming community; value for the City of Kirkland; community benefits including affordable housing; and quality of life for people who live, work, and visit Kirkland; and

WHEREAS, the City held the second public Community Workshop to discuss the Draft SEIS analysis and gather community feedback on the three Draft SEIS Station Area Plan Alternatives on January 7, 2021; and

WHEREAS, in response to requests from the community, and in recognition that an extended comment period would provide all stakeholders more time to engage with the Draft SEIS and allow for further outreach to community members traditionally underrepresented in past planning processes, the City extended the Draft SEIS public comment period to 45 days, closing the public comment period on February 19, 2021; and

WHEREAS, the City received 114 written Draft SEIS comments, and gathered additional input on the Draft SEIS at the January 7, 2021 Community Workshop, through an online Draft SEIS survey that received 408 responses, at a human service provider roundtable, through responses to a "meeting-in-a-box" from 26 clients of Sophia Way via coordination with their staff, through two Lake Washington High School Economics class projects focused on the Station Area and Draft SEIS alternatives, and through input provided by various community organizations in meetings with City Planning staff; and

WHEREAS, the comments on the Draft SEIS and planning process from the community included concerns about the impacts of growth and increased density such as traffic congestion, increased building heights and transitions between areas of differing height and intensity, impacts on schools and transit capacity, and a desire for the plan to help achieve community benefits such as affordable and diverse housing opportunities, plentiful parks and recreational spaces, enhancements and improvements to the active transportation network, new school capacity, and a balance of housing and jobs for people with a range of background and experience levels;

WHEREAS, at their January 19, 2021 meeting, the Council was presented with the results of the Draft SEIS, considered Draft SEIS comment themes, and directed the Station Area project team to expand the project scope to complete a Fiscal Impacts and Community Benefits Analysis in order to: analyze the fiscal impacts of infrastructure and public service provision to accommodate future growth in the Station Area; explore strategies to achieve community benefits from growth; and further analyze the transportation network; and

WHEREAS, in advance of Council decisions about which growth alternatives were to be analyzed in a Fiscal Impacts and Community Benefits Analysis, the Council held a special meeting on May 26, 2021 that served as a Listening Session for community members to provide input on the Station Area Plan directly to Council members; and

WHEREAS, at their June 15, 2021 meeting, the Council reviewed the final scope for a Fiscal Impacts and Community Benefits Analysis and endorsed two "June Alternatives", June Alternative A (Current Trends) and June Alternative B (Transit-Connected Growth), for study in the Analysis; and

WHEREAS, June Alternative A and June Alternative B were selected by the Council in response to community feedback and narrowed the "bookends" of potential growth in the Station Area based on Draft SEIS Alternatives 1 and 2, respectively, and eliminated Draft SEIS Alternative 3 from future consideration; and

WHEREAS, the focus of the Fiscal Impacts Analysis was to find if the City could afford the investments necessary to address increased demand on infrastructure and public services if the City implements its vision of the Station Area as a thriving, new walkable urban center with high tech jobs, plentiful affordable housing, sustainable buildings, and shops, and restaurants linked by transit; and

WHEREAS, the focus of the Community Benefits Analysis was to find how the public can receive benefits of growth and how development can advance the City's priority objectives if the City implements its vision of the Station Area as a thriving, new walkable urban center with high tech jobs, plentiful affordable housing, sustainable buildings, and shops, and restaurants linked by transit; and

WHEREAS, on October 26, 2021, the City published the Fiscal Impacts and Community Benefits Analysis Technical Memo and Appendices, which found that if the City were to select June Alternative B to implement its vision of the Station Area, the City could afford the investments necessary to address increased demand on public services (especially schools, parks/open spaces, transportation, and utilities), and avoid a reduction in service for existing community members and businesses if the City also adopts a series of policy changes, impact fees, commercial linkage fees, and benefit capture strategies such as Tax Increment Financing, density bonuses, and partnership opportunities; and

WHEREAS, at their October 26, 2021 meeting, the Council directed staff to draft a Station Area Plan Preferred Plan Direction based on June Alternative B for inclusion in the Final SEIS, and directed staff to prepare an additional scope of work to support development of the community benefits strategies for Tax Increment Financing, commercial linkage fees, and a density bonus program, green infrastructure, and to complete supplemental transportation analyses; and

WHEREAS, the City held a Community Question and Answer Session on November 1, 2021 to provide an opportunity for the community to engage directly with the project team and to answer community questions related to the Fiscal Impacts and Community Benefits Analysis and other Station Area topics; and

WHEREAS, the Council held a public hearing in accordance with Kirkland Municipal Code 5.02.020 for the mid-biennal budget process, which included a budget adjustment to support the supplemental analyses required for development of recommended community benefits strategies and additional transportation analyses, with the intent for the Council to adopt the Mid-Biennial Budget Adjustments at their December 14, 2021 meeting; and

WHEREAS, at their November 16, 2021 meeting, the Council held a joint meeting with the Kirkland Planning Commission to receive an update on the draft Station Area Plan Preferred Plan Direction; and

WHEREAS, the Station Area Project team has coordinated with Lake Washington School District ("LWSD"), regional transit agencies, and major property owners in the Station Area to explore creative solutions to key issues that will require future strategic partnerships to which the City may, or may not, be a necessary party to; and

WHEREAS, the City is conducting an ongoing development review fee study and is exploring creating additional tiers of building permit fees for projects with total valuations over \$1,000,000 to more accurately reflect the review and inspection demands of very large projects as highlighted in the fiscal impacts analysis; and

WHEREAS, through December 2021, the City has reviewed the Station Area in meetings at five public Planning Commission meetings on: June 25, 2020; January 14, 2021; April 22, 2021; June 10, 2021; and, November 16, 2021 (jointly with City Council); and

WHEREAS, through December 2021, the City has discussed the Station Area in meetings at four public Transportation Commission meetings on: September 23, 2020; January 27, 2021; July 28, 2021; and, September 22, 2021; and

WHEREAS, through December 2021, the City has discussed the Station Area in meetings at eight public City Council meetings on: March 17, 2020; July 21, 2020; January 19, 2021; April 6, 2021; June 15, 2021; October 26, 2021; November 16, 2021 (jointly with Planning Commission); and December 14, 2021; and

WHEREAS, the Council recognizes and shares areas of concern from the community related to the Station Area Plan that will require continuing work to address in the final Station Area Plan, including, but not limited to issues like, height transitions, adequacy of the active transportation network and transit capacity, traffic congestion, parking, ample provision of affordable housing, school capacity, and sustainability and it is the intent of the Council that these areas of

concern will be addressed prior to final adoption of the Station Area Plan through extensive additional study, community outreach, and partnerships; and

WHEREAS, the project team has completed the Draft Station Area Plan Preferred Plan Direction for inclusion in the Final SEIS that includes a long-range vision and implementation framework for the Station Area, included as Exhibit A to this Resolution; and

WHEREAS, the Draft Station Area Plan Preferred Plan Direction is intended to establish the City Council's broad vision for the transit oriented development of the Station Area based on stated objectives for the Plan and to guide the City's future Station Area work toward achieving that vision, including development of planned action ordinances, development agreements and related code, policy, and permitting changes.

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

<u>Section 1</u>. The 85<sup>th</sup> Street Station Area Plan Preferred Plan Direction, as shown in Exhibit A to this resolution, and consisting of the following elements, is adopted:

- Conceptual Long Range Vision Statement: the Station Area is a thriving, new walkable urban center with high tech jobs, plentiful affordable housing, sustainable buildings, and shops, and restaurants linked by transit;
- Description of growth expectations;
- 3. Framework for community benefits and recommended strategies;
- 4. Future character zones map and tables;
- 5. Regulating districts map; and,
- 6. Future street and frontage types map and tables.

<u>Section 2</u>. The Station Area project team shall proceed with drafting a final Station Area Plan, Form-based Code and zoning amendments, Comprehensive Plan amendments, and Planned Action Ordinance(s) based on the adopted Preferred Plan Direction. The Preferred Plan Direction shall also guide any related legislative actions in the Station Area such as development agreements.

Section 3. The Planning Commission shall study and recommend Station Area Plan policies and regulations to guide future transit-oriented redevelopment of the Station Area within the bounds of the Preferred Plan Direction adopted herein by the City Council and ensure that redevelopment will align with the long-range vision.

<u>Section 4</u>. The City shall continue coordination with LWSD, regional transit agencies, major property owners in the Station Area, and community members to explore creative solutions to key issues such as affordable housing, school capacity, future transit capacity and service, and other opportunities to achieve community benefits from growth that may require future strategic partnerships.

<u>Section 5</u>. The City Manager is hereby authorized and directed to:

- 1. Procure consulting services to develop community benefits strategies including Tax Increment Financing, commercial linkage fees, green infrastructure and a density bonus program for inclusion in the final Station Area Plan.
- 2. Prepare an ordinance for City Council consideration in early 2022 that would amend the building permit fee schedule to create additional tiers of building permit fees for projects with total valuations over \$1,000,000.

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Attest:	:	·	•				
Kathi A	Anderson, City Clerk						

# **EXHIBIT A0: NE 85TH STATION AREA GROWTH EXPECTATIONS AND COMMUNITY BENEFITS**

### **Growth Expectations for Preferred Plan Direction**

	Preferred Plan Direction
Households	8,152
Employment	22,751

Consistent with Transit-Connected Growth (June Alternative B), over the 23-year planning horizon, the Preferred Plan Direction would support a maximum of:

- 8,152 total households (6,243 above existing)
- 22,751 total jobs (17,763 above existing)

Based on the City's existing Inclusionary Zoning requirement for affordable housing, that maximum development potential would result in:

- 624 total affordable homes, or 10% of new potential households
- Other affordable housing measures will be implemented to increase the production of affordable housing beyond 624 units

Disclaimer: The growth expectations describe the assumed amount of potential growth during the 23-year plan time horizon but is not meant to pre-suppose the decisions of individual property owners or actions of the market, which will likely differ.

The Station Area Plan policies will not preclude current land uses from staving

### Community Benefits for Preferred Plan Direction



### **Community Benefits Policy Framework**

### Parks

- Consider offsetting deficit with a portion of
- general government operating surplus Level of Service (LOS) policy change appropriate for urban centers, coordinate with the Parks, Recreation and Open Space (PROS) plan
- For larger Community Parks:
  - Tax Increment Financing (TIF) strategy: evaluate bold vision opportunities for TIF candidate projects, and complete conceptual / feasibility study
  - Leverage existing public space and partnerships for shared use agreements
- For Neighborhood, small scale and linear parks:
  - Multi-benefit TIF project for NE 120th including a linear park: evaluate as a TIF candidate project, and complete conceptual / feasibility study
  - Development requirements/bonuses
  - Creative adaptation of existing public space like Forbes Lake, the future interchange surplus right of way, and existing right-of-way

# Affordable housing

- Pursue a commercial linkage program
- Allocate a portion of the Linkage Fees toward a workforce development program or equivalent
- Pursue additional implementation strategies

### Mobility

- Develop a TIF strategy, and evaluate bold vision opportunities for TIF candidate projects, and complete conceptual / feasibility study prioritizing multi-benefit project opportunities where infrastructure needs overlap
- Development requirements/bonuses: mobility and parking programs and policies

### Sustainability

- Green infrastructure strategies and multi-benefit projects
- Development requirements/bonuses
- Explore partnerships around sustainability, climate action, health and well-being initiatives

Support LWSD and the community need for childcare and early education with tools such

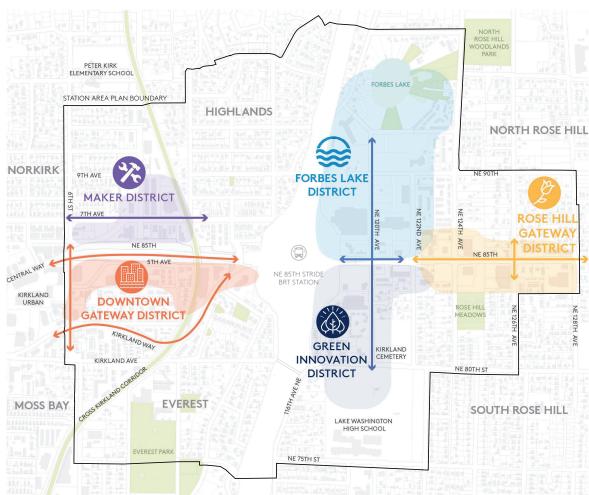
- Development requirements/bonuses for integrated educational or childcare space
- Explore partnership opportunities such as Joint/Shared Use Agreements
- Policy changes to define active frontages to include uses for schools, childcare, or other community-serving uses
- Increase allowed development capacity on existing underutilized public parcels

# EXHIBIT A1: NE 85TH STATION AREA CHARACTER SUB-DISTRICTS

# THE VISION

The Station Area is a thriving, new walkable urban center with high tech jobs, plentiful affordable housing, sustainable buildings, and shops, and restaurants linked by transit.

The vibrant, mixed-use environment is a model of innovation. With an outstanding quality of life and unmatched mobility choices, the Station Area is eco-friendly, a place to connect, and deeply rooted in the history of the land, the people, and the culture of this special crossroads in Kirkland. The highly visible integration of ecological systems within an urban setting set the Station Area apart while tying the unique sub-area districts together with existing open space and active living opportunities.







# EXHIBIT A2: NE 85TH STATION AREA CHARACTER SUB-DISTRICT PRECEDENT IMAGERY



### MAKER DISTRICT

Pedestrian-oriented district building on Norkirk's character and excellent Cross Kirkland Corridor trail connections. 7th is a lively connection between the BRT drop off and old downtown. The traditional mixed industrial/commercial character of the area is recognized while encouraging more urban uses supporting "maker" activities, locallyowned small businesses, active lifestyle and recreation-related private and public uses.



### **DOWNTOWN GATEWAY DISTRICT**

Gateway district to Downtown Kirkland via 6th St that emphasizes mid-rise residential and office uses along 6th and important bicycle and pedestrian connections along green pathways to and from the station and the Cross Kirkland Corridor.



### **FORBES LAKE DISTRICT**

A walkable mixed-use district with opportunities for shops and office uses as well as mid-rise residential uses, organized around a green main street corridor with retail and active uses combined with small open spaces on 120th that connects to Forbes Lake. Biophilic design and visible water, energy, and biodiversity strategies tell the story this place.



### **GREEN INNOVATION DISTRICT**

This vibrant, mixed use district is a model of innovation and place for community, students, and the workforce to connect. It transitions from shops and office uses to townhouses, small apartment buildings, and civic uses. Active transportation choices, connections to green space, and walkable South 120th offer a healthy lifestyle. Views abound.



### **ROSE HILL GATEWAY DISTRICT**

Corridor-based gateway with a mix of active ground floors and midrise residential along NE 85th that focuses on creating a strong sense of arrival from Redmond with streetscape design, public art, and urban design features.



















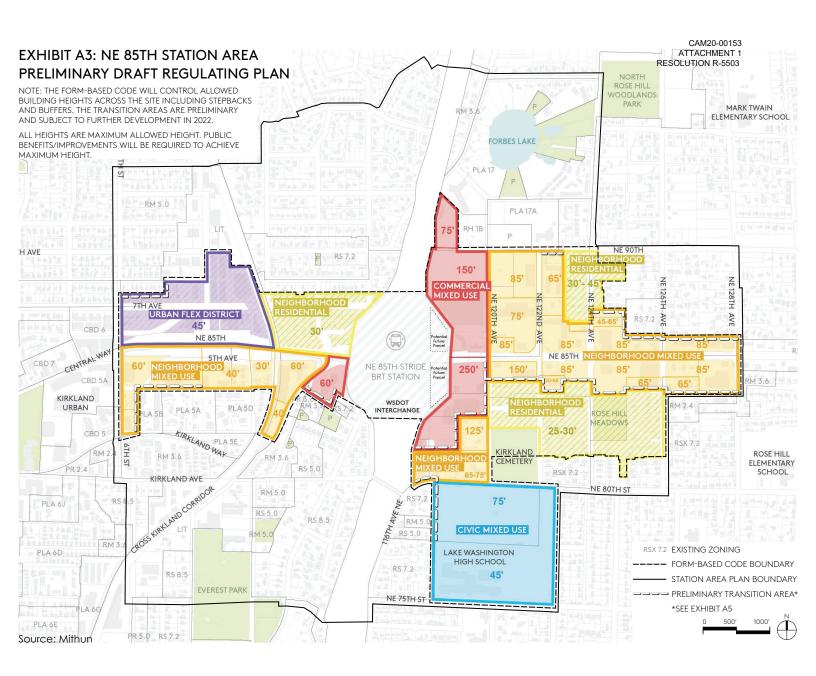












# EXHIBIT A4: NE 85TH STATION AREA PRELIMINARY DRAFT REGULATING TABLE

NOTE: REGULATING DISTRICTS WILL BE PART OF THE FUTURE FORM-BASED CODE. THEY WILL ESTABLISH BROAD PARAMETERS FOR DEVELOPMENT, INCLUDING ALLOWED USES, HEIGHTS, AND SIDE SETBACKS. ELEMENTS SUCH AS FRONTAGES, TRANSITIONS AND STREETSCAPE DESIGN WILL BE ADDRESSED THROUGH OTHER ELEMENTS OF THE FUTURE FORM-BASED CODE.

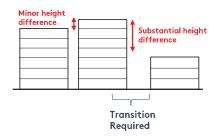
	Commercial Mixed Use	Neighborhood Mixed Use	Neighborhood Residential	Urban Flex District	Civic Mixed Use
Maximum Heights (see height subdistrict on regulating plan for maximum allowed height in a specific location)	60-250'	30-150'	20-45	45'	45-75'
Permitted Uses (General)	Commercial, Civic	Commercial, Residential, Civic	Residential	Commercial, Light Industrial*, Residential, Civic *where compatible with residential	Commercial, Residential, Civic
Upper lev el stepbacks	In progress*	In progress*	In progress*	In progress*	In progress*
Max Floor Area Ratio or Development Area	In progress*	In progress*	In progress*	In progress*	In progress*
Setbacks (Side, Rear) Note: Front Setbacks are regulated through frontage types	In progress*	In progress*	In progress*	In progress*	In progress*
*In Progress parameters will be reviewed as part	of the Form-based Code deve	elopment in 2022			

# EXHIBIT A5: NE 85TH STATION AREA PRELIMINARY DRAFT TRANSITIONS APPROACH

Transition rules will apply along the lot lines of any adjacent parcels where the difference in proposed building height and adjacent maximum allowed height is greater than a specified number of feet\*. New development would be required to include a combination of the following strategies:

- Site Setbacks
- Upper Level Stepbacks
- Landscape Buffers
- Maximum Façade Length

\*Parameters will be reviewed as part of the Formbased Code development in 2022







**Ground Level Set Backs**Allowed build-to line is set back from the lot line, creating more space between building and adjacent parcels or right of





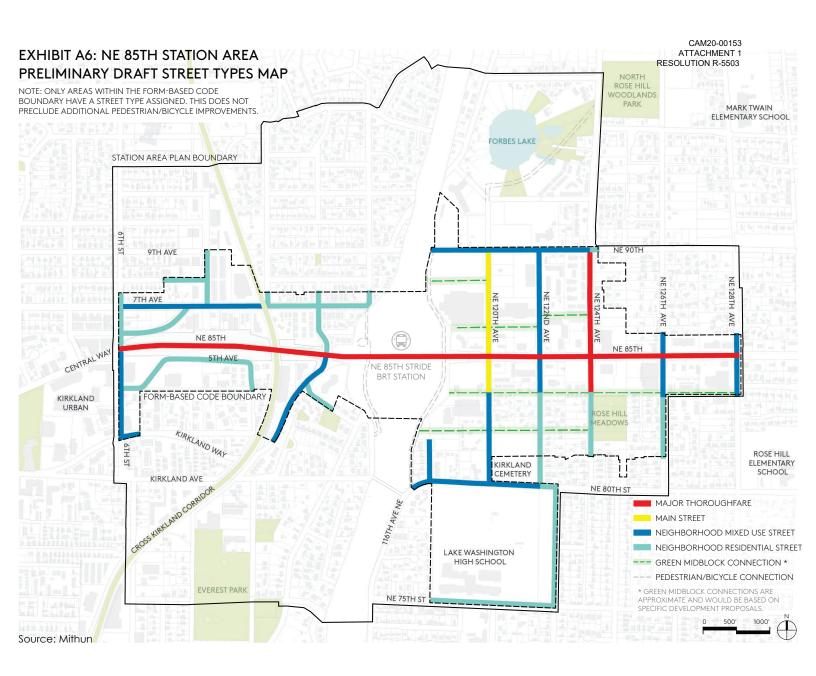
Upper Level Step Backs
Upper floors must be set back from allowed lower-level building envelope. May be applied multiple times for a single building at different levels to create a "stepped" effect





Landscape Buffers

Landscaped open area that is intended to provide visual screening as well as open space separating a building from adjacent parcels. Can also include pedestrian or bike connections or other amenities



# **EXHIBIT A7: NE 85TH STATION AREA** PRELIMINARY DRAFT STREET TYPES TABLE

NOTE: STREET TYPES WILL BE PART OF THE FUTURE FORM-BASED CODE. THEY WILL ESTABLISH ALLOWED FRONTAGE TYPES ALONG EACH STREET SEGMENT, AND ALSO RECOMMEND THE FUTURE DESIGN CHARACTERISTICS OF THE PUBLIC RIGHT OF WAY. ELEMENTS SUCH AS FRONTAGES, TRANSITIONS, AND DEVELOPMENT REQUIREMENTS WILL BE ADDRESSED THROUGH OTHER ELEMENTS OF THE FUTURE FORM-BASED CODE.

### **Major Thoroughfare**



Streets that connect regional centers or run through central commercial corridors. Many of these streets have significant traffic volumes at peak hours are key places for highcapacity transit routes and auto separated bike facilities.

# Typical ROW Width

80-120'

# **Functional Classes**

Principal Arterial

# Adjacent Land Uses

High intensity commercial, residential, and active ground-level uses.

**Allowed Frontage Types** Urban Street Edge, Retail & Active Uses, Plaza/Public Space

# **Travel Priorities**

Ped\*, Bike\*, Transit, Freight, Auto

\*Separated facilities

# **Main Street**



Primary corridors for ground-floor retail, often with generous public realm design. They are high pedestrian volume streets that balance that pedestrian activity with auto, bike, and transit needs.

65-85

Minor Arterial, Collector

Mid-intensity commercial. residential, and ground-level retail

Retail & Active Uses, Plaza/Public

Ped, Bike, Transit, Auto

**Neighborhood Mixed Use** 



mid-intensity commercial and midrise residential and occasional ground floor retail. Generally lower vehicular traffic volume than major thoroughfares, and some may contain auto-separated bike

45- 75'

Collector, Local

Low to mid-intensity commercial, residential, and occasional active around-level uses.

Urban Street Edge, Plaza/Public Space, Residential Stoop/Porch

Ped, Bike, Auto

45- 70'

Collector, Local

bike facilities.

Predominantly low to medium intensity residential uses.

**Neighborhood Residential** 

Residential-focused streets with

which can accommodate shared

low vehicular traffic volumes,

Urban Street Edge, Plaza/Public Space, Residential Stoop/Porch, Private Yard

Ped, Bike, Auto

Green Midblock Connection



Generously landscaped mid-block connections within larger commercial or residential developments or between parcels May include required on-site green stormwater infrastructure. Does not include public ROW improvements to "green" an existing street.

30-50'

Local

Low to high intensity commercial or residential uses, typically within larger developments. May have active ground-level uses, depending on site design.

Urban Street Edge, Retail & Active Uses, Plaza/Public Space,

Ped, Bike, Auto\*\*

\*\*Local access, loading only

# EXHIBIT A8: NE 85TH STATION AREA PRELIMINARY DRAFT FRONTAGE TYPES

NOTE: FRONTAGE TYPES WILL BE PART OF THE FUTURE FORM-BASED CODE. THEY WILL REGULATE THE RELATIONSHIP BETWEEN PRIVATE DEVELOPMENT AND THE PUBLIC REALM, INCLUDING GROUND FLOOR FACADE DESIGN, FRONT SETBACKS, LANDSCAPE CHARACTERISTICS, PEDESTRIAN ACCESS, AND OTHER CHARACTERISTICS. ALLOWED FRONTAGE TYPES WILL BE DETERMINED BASED ON THE STREET TYPE DESIGNATION FOR FACH PARCEL'S FRONTAGE. ELEMENTS SUCH AS TRANSITIONS, STREETSCAPE DESIGN, AND GENERAL DEVELOPMENT REQUIREMENTS WILL BE ADDRESSED THROUGH OTHER ELEMENTS OF THE FUTURE FORM-BASED CODE.

# **Urban Street Edge**

- Shallow to no setbacks
- Pedestrian-oriented facades with transparency and building entries
- Additional travel zone if constrained sidewalk





### **Retail & Active Uses**

- Generous pedestrian zone with seating, overhead protection, and other furnishings and building entries
- Articulated bays, active facades, higher ground floor heights





### Residential Stoop/Porch

- Shallow setbacks, first floor at different level than sidewalk
- Direct entries from individual units
- · Stoops and porches address grade change
- Articulated facades to reflect units







### Plaza/Public Space

- Deep setback to establish public space
   Active frontages and entries facing
- Active frontages and entries facing onto open space
- Smooth transition to public ROW with occupiable open space





### **Private Yard**

- · Landscaped front yard
- Visual connection to primary building from sidewalk
- Street wall edge maintained with elements like low walls and vegetation





### CAM20-00153 ATTACHMENT 2 STATION AREA PLAN PROCESS ROADMAP

	Q2 2020	Q3 2020 - Q1 2021	NOV - DEC 2021	Q1 2022	Q2 2022
	VISION & CONCEPTS	ALTERNATIVES	PREFERRED PLAN DIRECTION	DRAFT PLAN	FINAL PLAN
Decisions and Deliverables: Core	Project Objectives	Amount, mix, type of growth	Long Range Vision:	Draft Station Area Plan	Final Station Area Plan
and FICB Supplemental Scope of			-Description of growth expectations		
Work	Study Area Growth framework	What elements to include in	-Framework for community benefits and	Development requirements or	Policy & Regulatory Details, Form
		preferred alternative, e.g.:	recommended strategies	incentives, e.g.:	Based Code details
	Establish a range of 'bookends' for	-Growth/Land Use	-District Long Range Conceptual Vision Graphic	-Affordable Housing	-Final Regulating Plan including
	alts.	-Affordable Housing Options	-Character Subareas	-Sustainability/Green Bldg	character zones and
1		-Open Space Strategies	-Vision Opportunities: Park/Open Space, Active	-Other Community Benefits	street/frontage types and tables
	Confirm scope & topics for EIS to	-Height & Massing Strategies	Transportation		
	study	-Mobility		Form Based Code draft	Finalize boundaries of character
		-Etc	Implementation Framework:	-Transitions between types	areas/ transects
			-Future Regulating Districts Map and Table (Approx	-Urban Design Concepts	
		Draft SEIS analysis & publication	Heights, Uses, Types, Bldg Setbacks) Transition	-Draft Regulating Plan including	Final Planned Action Ordinance
			approach + what the table will include in the future	character zones and street/frontage	
			-Street Frontage Type Framework Map and Tables	types and tables, adding max. devel	City investments & Projects
				area, site design reqmts/access and	-Final plan projects
			Final SEIS:	loading, specific transition tools	
			-DSEIS Comment responses	including step-backs	Partnership Opportunities
			-updated analysis and mitigation		Inventory
			-Update Section 3 Alternatives with Preferred Plan	Draft Planned Action with Specific	
			Direction content	Mitigation measures	Comprehensive Plan Amendments
				City investments & Projects	
				-Draft plan projects	
	1			projects	
	1			Partnership Opportunities Inventory	

<sup>\*</sup>Please note that not all issues or decisions are included in the road map and the road map will likely be updated and expanded over time. The roadmap is subject to change depending on the future planned action ordinance(s), potential development agreements, or process changes.