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MEMORANDUM

To: Kurt Triplett, City Manager

From: Adam Weinstein, AICP, Planning & Building Director
Allison Zike, AICP, Deputy Planning & Building Director

Date: November 3, 2022

Subject: NE 85TH ST STATION AREA PLAN: DRAFT PLANNED ACTION ORDINANCE
PUBLIC HEARING – FILE NO. SEP20-00288

STAFF RECOMMENDATION

City Council holds a public hearing and receives public testimony on the draft Planned Action Ordinance (PAO) for the NE 85th St Station Area (see Attachment 1). This draft PAO excludes the planned Google campus on the Lee Johnson site, which was the subject of an independent PAO adopted in September 2022. Staff will bring back Ordinance O-4825 for adoption at a future meeting for Council to consider concurrently with adoption of the Phase 2 Form-based Code (FBC).

BACKGROUND

At a special meeting on June 28, 2022, City Council adopted a plan for the NE 85th Street Station Area. The adoption of the plan, along with related Comprehensive Plan and Municipal Code amendments, paves the way for a walkable, equitable, sustainable, and complete transit-oriented neighborhood. At the June 28 meeting, Council also adopted the first phase of Station Area Zoning Code amendments which implement a Form-based Code (FBC) for the Commercial Mixed-use District: the district within the Station Area that is nearest to the future Sound Transit Stride Bus Rapid Transit (BRT) station in the I-405 interchange, and will allow for the most dense commercial and/or institutional development.

Prior to adoption, in 2021, staff completed additional analysis requested by Council related to the fiscal impacts and community benefits of the Station Area Plan, delaying the planned adoption of the Station Area plan until mid-2022. In early 2022, staff recommended that the zoning work be completed in two phases to provide more time for Council and Planning Commission work, and public consideration of Station Area zoning. Planning Commission has held study sessions on October 13, October 27, and November 10, 2022 to discuss the Phase 2 FBC. The community was invited to attend an Open House, presentation, and question and answer session with staff on October 24, 2022 to learn more about the draft Phase 2 FBC. Staff will be briefing Council on the Phase 2 FBC as a separate agenda item at their November 15 meeting.

STATION AREA PLAN – ENVIRONMENTAL REVIEW

The Final Supplemental Environmental Impact Statement (FSEIS) for the Station Area Plan was published on December 30, 2021, and is available on the [project webpage](#). The FSEIS analyzed

the preferred plan direction for the Station Area, disclosed potential significant impacts associated with the studied household and job growth, and identified mitigation measures for impacts that will be implemented through the Station Area FBC, required infrastructure improvement projects with new development, and Planned Action Ordinances for the Station Area. The City issued an Addendum to the FSEIS on June 24, 2022 that included supplemental analyses completed after the FSEIS was issued, and referenced the Station Area plan updates and code amendments, and the development agreement with Google.

A Planned Action, which is authorized under the State Environmental Policy Act (SEPA), streamlines environmental review of development projects that were analyzed comprehensively in an earlier EIS. A Planned Action effectively shifts environmental review of a project from the time a permit application is made to an earlier phase in the planning process (i.e., when an EIS is prepared), ensuring a more holistic evaluation of environmental impacts.

Council adopted a PAO (O-4809) for the Google office campus at the Lee Johnson site on September 9, 2022. The PAO that is the subject of this memorandum is for the remainder of the Station Area Plan.

PLANNED ACTION ORDINANCE

The subject PAO shown in the enclosed draft ordinance (see Attachment 1) is the culmination of the environmental review process under SEPA for the full Station Area Plan.

The PAO establishes the following:

- Procedural requirements of the Growth Management Act, SEPA, and the City's SEPA policies in the Municipal Code have been complied with;
- Designation of the Planned Action Area (see Attachment 1, Exhibit A);
- Types of land uses that qualify as Planned Actions;
- Maximum levels of new land uses (housing units and jobs capacity) that are covered as a Planned Action;
- Trip ranges and limits covered by the Planned Action, and concurrency and monitoring requirements;
- Required mitigation measures for the significant impacts identified in the NE 85th St Station Area Plan FSEIS;
- Planned Action project review criteria and process; and,
- Provisions for monitoring and review of development in the Planned Action Area.

Part of the City's review process for a Planned Action will include a consistency review and determination to ensure development does not exceed thresholds established in the PAO (e.g., activity units, vehicle trips). An application determined to be consistent with the PAO is, therefore, required to confirm that a development application does not require additional environmental review beyond that already conducted for the Station Area Plan. In addition to a PAO consistency review, most future development applications will be required to obtain Design Review Board approval, and all necessary construction permits. Staff's review of any design review and construction permit applications will ensure projects are in compliance with applicable guidelines and regulation standards.

The purpose of the PAO is to streamline the environmental review of future projects to help promote the adopted vision of the Station Area Plan. Another benefit of PAOs is that they provide certainty for development applicants about the specific infrastructure projects they are required to build with their projects, and how they will be required to contribute to infrastructure projects that provide system-wide capacity. The concept of adopting PAOs is not new to Kirkland; prior to the Google office campus PAO, Council adopted a PAO for Kirkland Urban in 2009. Other nearby cities have also adopted PAOs; examples include the City of Bothell for the Canyon Park and Downtown Subareas, City of Edmonds for the Highway 99 Subarea, and the City of Redmond for the Overlake Neighborhood Plan.

It is important to note that the PAO does not contain any environmental analysis beyond the work completed in the Station Area Plan FSEIS and Addendum. The FSEIS can be supplemented by future SEPA addenda to add additional relevant information. Additionally, while staff does not anticipate any development applications prior to Council adoption of the PAO, applications within the Station Area can be submitted under the currently effective zoning, but would simply need to go through any required SEPA review without the benefit of the PAO. In this scenario, delay of the PAO would not prevent the City from requiring mitigation and infrastructure improvements from that development.

TIMING OF TRANSPORTATION IMPROVEMENTS

As new development occurs within the Station Area, the level of infrastructure investment will need to keep pace to accommodate the corresponding growth in travel demand. The Station Area Plan identifies the transportation project investments needed to support the desired level of housing and jobs growth, and those investments are analyzed in the FSEIS (and reflected in the PAOs for the Station Area). While the plan envisions project implementation over a 20-year time horizon, the pace of redevelopment may require adjustments to project timing within the Capital Improvement Program (CIP) to proactively manage growth. Most critically, the improvements identified in the Station Area Plan for the principal arterials of NE 85th Street and 124th Avenue NE are fundamental to maintain the functionality of Kirkland's street network. The PAOs help ensure that development projects that would contribute impacts to these arterials will help mitigate associated impacts. The City is actively working to align public and private investments in the Station Area and plans to implement tax-increment financing to expedite the delivery of the 124th Ave NE widening project to accommodate the anticipated travel demand growth and support planned development within the Station Area. Additionally, it should be noted that the Development Agreement with Google will require the developer to implement transportation improvements associated with the development that will have some system benefits, including improvements on NE 85th St and 120th Ave NE.

NEXT STEPS

Staff will bring back Ordinance O-4825 for consideration at a future Council meeting along with consideration of the Phase 2 FBC, anticipated to occur in January 2023. After adoption of the Phase 2 FBC, Council's action on the enclosed PAO will be the final legislative step by Council to enable development under the Station Area Plan vision, goals, and FBC.

ATTACHMENTS

1. Draft Ordinance O-4825 - Station Area Planned Action Ordinance