



**CITY OF KIRKLAND**  
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## MEMORANDUM

**To:** Kurt Triplett, City Manager

**From:** Tracey Dunlap, Deputy City Manager  
Adam Weinstein, AICP, Planning & Building Director  
Jeremy McMahan, Planning & Building Deputy Director  
Allison Zike, AICP, Senior Planner  
Victoria Kovaks, AICP, Transportation Planner

**Date:** May 27, 2022

**Subject:** NE 85<sup>TH</sup> ST STATION AREA PLAN – CITY COUNCIL MEETING, FILE NO. CAM20-00153

## STAFF RECOMMENDATION

Receive a brief update on the following specific Station Area Plan items prior to the Planning Commission public hearing scheduled for June 9.

- Incentive Zoning program recommendations for the Commercial Mixed-use District;
- Station Area "Main St." (120<sup>th</sup> Ave NE) concept following May 12 Council/Planning Commission input;
- Planned Action Ordinance status and schedule; and
- Development Agreement update.

## BACKGROUND

At their [December 14 Council meeting](#), Council adopted the Station Area Preferred Plan Direction by adopting Resolution R-5503 (see Attachment 1). The Resolution adopted the following vision for the Station Area Plan:

*The Station Area is a thriving, new walkable district with high tech and family wage jobs, plentiful affordable housing, sustainable buildings, park amenities, and commercial and retail services 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 sets the Station Area apart while tying the unique sub-area districts together with existing open space and active living opportunities.*

The project team last discussed the Station Area Plan with Council and the Planning Commission at their [May 12, 2022 joint study session](#), where they discussed the draft Station Area Plan, draft Comprehensive Plan goals and policies, draft Phase 1 Form-based Code concepts, draft design guidelines, and the draft Planned Action Ordinance for the Station Area.

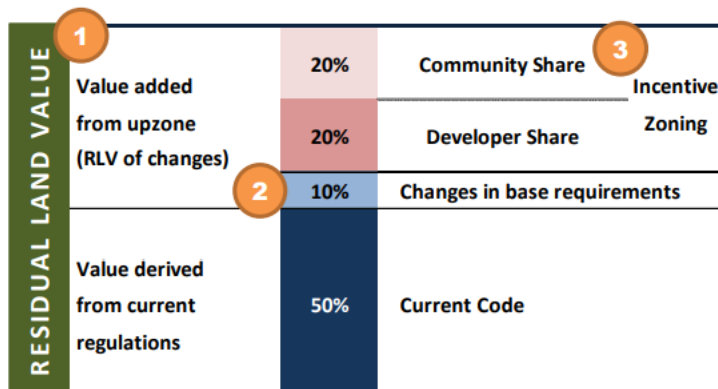
## INCENTIVE ZONING PROGRAM – ANALYSIS UPDATE

As described in the [April 5 Council meeting packet](#), one of the strategies identified in the Preferred Plan Direction was to develop a bonus incentive program, through which additional development capacity could be achieved if development provides community benefits. The benefits that would need to be provided to utilize the incentivized development capacity would be beyond the new baseline development allowance and associated new requirements in the Station Area. These requirements may be different than existing requirements under current zoning (e.g., increased baseline requirements for sustainability). However, the incentivized development capacity cannot exceed the maximum size and height established in the Preferred Plan Direction.

The incentive analysis is principally concerned with addressing three key questions:

1. How much private value can be created through changes in land use policy?
2. How much of that new value might be used to increase base development requirements (e.g., requirements that require more robust frontage improvements to improve the active transportation network or sustainability measures)?
3. How much of the value might be left to support a functional incentive zoning program and what potential amenities should be incentivized?

The graphic below, and the following discussion, shows how each of these key questions will ultimately define the economic potential for the new code to support an incentive program.



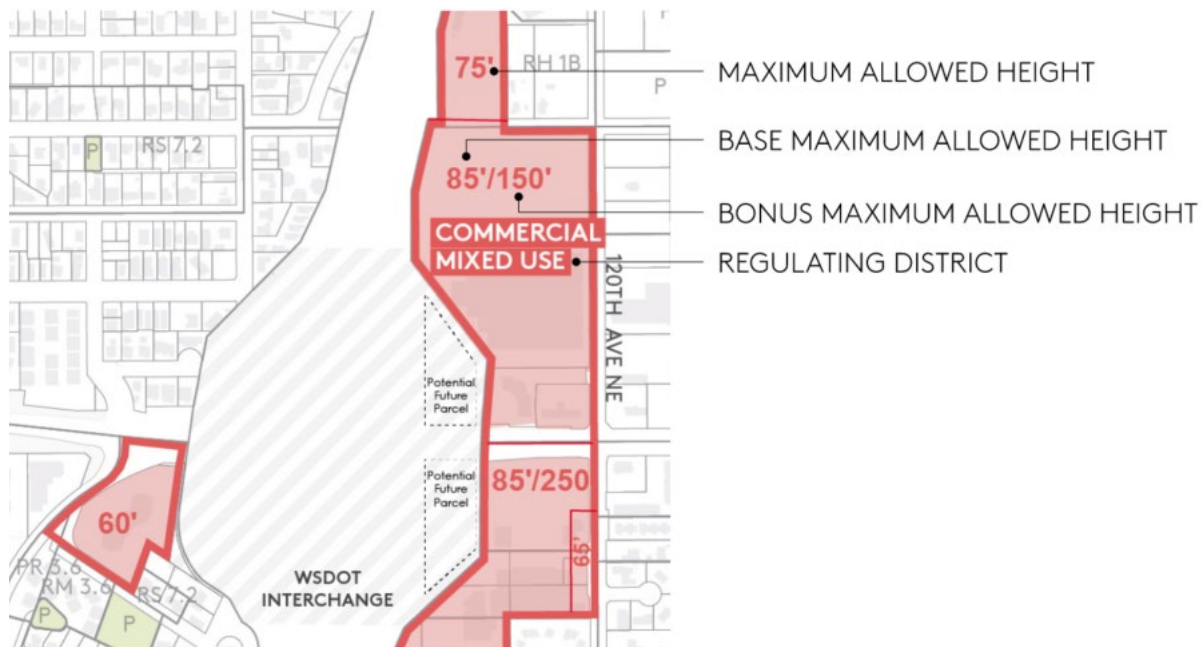
**Step 1 – Valuing Upzone:** Staff and the consultant have completed the first step, determining the magnitude of the upzone value. The more value that is added, the greater the likelihood that it will be possible to accommodate new base requirements and support a functional incentive system. The results of the Step 1 analysis are that the Commercial Mixed Use (CMU) and Neighborhood Mixed Use (NMU) districts can support an incentive zoning system. While the analysis addresses both districts, the Phase 1 form-based code includes the incentive zoning element for CMU, with NMU being addressed as part of Phase 2.

**Step 2 – Determining New Base Requirements:** Through deliberations to date, the next key issue (Step 2) has been completed - determining how much of the new value might be

- Infrastructure required from new development, as identified in the Fiscal Impacts and Community Benefits Analysis and subsequent work,
- The recently adopted High Performance Building Code,
- Achieving a Green Factor score of 0.4 as established in the Sustainability Analysis.

The map displays the Station Area Plan Boundary, which includes the following features:

- Streets:** 6th St, 7th Ave, 9th Ave, NE 5th, NE 8th, NE 10th, NE 12th, NE 14th, NE 16th, NE 18th, NE 20th, NE 22nd, NE 24th, NE 26th, NE 28th, NE 30th, NE 32nd, NE 34th, NE 36th, NE 38th, NE 40th, NE 42nd, NE 44th, NE 46th, NE 48th, NE 50th, NE 52nd, NE 54th, NE 56th, NE 58th, NE 60th, NE 62nd, NE 64th, NE 66th, NE 68th, NE 70th, NE 72nd, NE 74th, NE 76th, NE 78th, NE 80th, NE 82nd, NE 84th, NE 86th, NE 88th, NE 90th, NE 92nd, NE 94th, NE 96th, NE 98th, NE 100th.
- Landmarks:** Forbes Lake, North Rose Hill Woodlands Park, Everest Park, Kirkland Cemetery, Lake Washington High School, Rose Hill Meadows, Kirkland Way, Cross Kirkland Corridor, NE 5th Stride BRT Station, WSDOT Interchange.
- Land Use Zones:** RM 5.0, RM 3.6, RM 7.2, RM 10.0, RM 12.0, RM 15.0, RM 20.0, RM 25.0, RM 30.0, RM 35.0, RM 40.0, RM 45.0, RM 50.0, RM 55.0, RM 60.0, RM 65.0, RM 70.0, RM 75.0, RM 80.0, RM 85.0, RM 90.0, RM 95.0, RM 100.0, RM 105.0, RM 110.0, RM 115.0, RM 120.0, RM 125.0, RM 130.0, RM 135.0, RM 140.0, RM 145.0, RM 150.0, RM 155.0, RM 160.0, RM 165.0, RM 170.0, RM 175.0, RM 180.0, RM 185.0, RM 190.0, RM 195.0, RM 200.0, RM 205.0, RM 210.0, RM 215.0, RM 220.0, RM 225.0, RM 230.0, RM 235.0, RM 240.0, RM 245.0, RM 250.0, RM 255.0, RM 260.0, RM 265.0, RM 270.0, RM 275.0, RM 280.0, RM 285.0, RM 290.0, RM 295.0, RM 300.0, RM 305.0, RM 310.0, RM 315.0, RM 320.0, RM 325.0, RM 330.0, RM 335.0, RM 340.0, RM 345.0, RM 350.0, RM 355.0, RM 360.0, RM 365.0, RM 370.0, RM 375.0, RM 380.0, RM 385.0, RM 390.0, RM 395.0, RM 400.0, RM 405.0, RM 410.0, RM 415.0, RM 420.0, RM 425.0, RM 430.0, RM 435.0, RM 440.0, RM 445.0, RM 450.0, RM 455.0, RM 460.0, RM 465.0, RM 470.0, RM 475.0, RM 480.0, RM 485.0, RM 490.0, RM 495.0, RM 500.0, RM 505.0, RM 510.0, RM 515.0, RM 520.0, RM 525.0, RM 530.0, RM 535.0, RM 540.0, RM 545.0, RM 550.0, RM 555.0, RM 560.0, RM 565.0, RM 570.0, RM 575.0, RM 580.0, RM 585.0, RM 590.0, RM 595.0, RM 600.0, RM 605.0, RM 610.0, RM 615.0, RM 620.0, RM 625.0, RM 630.0, RM 635.0, RM 640.0, RM 645.0, RM 650.0, RM 655.0, RM 660.0, RM 665.0, RM 670.0, RM 675.0, RM 680.0, RM 685.0, RM 690.0, RM 695.0, RM 700.0, RM 705.0, RM 710.0, RM 715.0, RM 720.0, RM 725.0, RM 730.0, RM 735.0, RM 740.0, RM 745.0, RM 750.0, RM 755.0, RM 760.0, RM 765.0, RM 770.0, RM 775.0, RM 780.0, RM 785.0, RM 790.0, RM 795.0, RM 800.0, RM 805.0, RM 810.0, RM 815.0, RM 820.0, RM 825.0, RM 830.0, RM 835.0, RM 840.0, RM 845.0, RM 850.0, RM 855.0, RM 860.0, RM 865.0, RM 870.0, RM 875.0, RM 880.0, RM 885.0, RM 890.0, RM 895.0, RM 900.0, RM 905.0, RM 910.0, RM 915.0, RM 920.0, RM 925.0, RM 930.0, RM 935.0, RM 940.0, RM 945.0, RM 950.0, RM 955.0, RM 960.0, RM 965.0, RM 970.0, RM 975.0, RM 980.0, RM 985.0, RM 990.0, RM 995.0, RM 1000.0, RM 1005.0, RM 1010.0, RM 1015.0, RM 1020.0, RM 1025.0, RM 1030.0, RM 1035.0, RM 1040.0, RM 1045.0, RM 1050.0, RM 1055.0, RM 1060.0, RM 1065.0, RM 1070.0, RM 1075.0, RM 1080.0, RM 1085.0, RM 1090.0, RM 1095.0, RM 1100.0, RM 1105.0, RM 1110.0, RM 1115.0, RM 1120.0, RM 1125.0, RM 1130.0, RM 1135.0, RM 1140.0, RM 1145.0, RM 1150.0, RM 1155.0, RM 1160.0, RM 1165.0, RM 1170.0, RM 1175.0, RM 1180.0, RM 1185.0, RM 1190.0, RM 1195.0, RM 1200.0, RM 1205.0, RM 1210.0, RM 1215.0, RM 1220.0, RM 1225.0, RM 1230.0, RM 1235.0, RM 1240.0, RM 1245.0, RM 1250.0, RM 1255.0, RM 1260.0, RM 1265.0, RM 1270.0, RM 1275.0, RM 1280.0, RM 1285.0, RM 1290.0, RM 1295.0, RM 1300.0, RM 1305.0, RM 1310.0, RM 1315.0, RM 1320.0, RM 1325.0, RM 1330.0, RM 1335.0, RM 1340.0, RM 1345.0, RM 1350.0, RM 1355.0, RM 1360.0, RM 1365.0, RM 1370.0, RM 1375.0, RM 1380.0, RM 1385.0, RM 1390.0, RM 1395.0, RM 1400.0, RM 1405.0, RM 1410.0, RM 1415.0, RM 1420.0, RM 1425.0, RM 1430.0, RM 1435.0, RM 1440.0, RM 1445.0, RM 1450.0, RM 1455.0, RM 1460.0, RM 1465.0, RM 1470.0, RM 1475.0, RM 1480.0, RM 1485.0, RM 1490.0, RM 1495.0, RM 1500.0, RM 1505.0, RM 1510.0, RM 1515.0, RM 1520.0, RM 1525.0, RM 1530.0, RM 1535.0, RM 1540.0, RM 1545.0, RM 1550.0, RM 1555.0, RM 1560.0, RM 1565.0, RM 1570.0, RM 1575.0, RM 1580.0, RM 1585.0, RM 1590.0, RM 1595.0, RM 1600.0, RM 1605.0, RM 1610.0, RM 1615.0, RM 1620.0, RM 1625.0, RM 1630.0, RM 1635.0, RM 1640.0, RM 1645.0, RM 1650.0, RM 1655.0, RM 1660.0, RM 1665.0, RM 1670.0, RM 1675.0, RM 1680.0, RM 1685.0, RM 1690.0, RM 1695.0, RM 1700.0, RM 1705.0, RM 1710.0, RM 1715.0, RM 1720.0, RM 1725.0, RM 1730.0, RM 1735.0, RM 1740.0, RM 1745.0, RM 1750.0, RM 1755.0, RM 1760.0, RM 1765.0, RM 1770.0, RM 1775.0, RM 1780.0, RM 1785.0, RM 1790.0, RM 1795.0, RM 1800.0, RM 1805.0, RM 1810.0, RM 1815.0, RM 1820.0, RM 1825.0, RM 1830.0, RM 1835.0, RM 1840.0, RM 1845.0, RM 1850.0, RM 1855.0, RM 1860.0, RM 1865.0, RM 1870.0, RM 1875.0, RM 1880.0, RM 1885.0, RM 1890.0, RM 1895.0, RM 1900.0, RM 1905.0, RM 1910.0, RM 1915.0, RM 1920.0, RM 1925.0, RM 1930.0, RM 1935.0, RM 1940.0, RM 1945.0, RM 1950.0, RM 1955.0, RM 1960.0, RM 1965.0, RM 1970.0, RM 1975.0, RM 1980.0, RM 1985.0, RM 1990.0, RM 1995.0, RM 2000.0, RM 2005.0, RM 2010.0, RM 2015.0, RM 2020.0, RM 2025.0, RM 2030.0, RM 2035.0, RM 2040.0, RM 2045.0, RM 2050.0, RM 2055.0, RM 2060.0, RM 2065.0, RM 2070.0, RM 2075.0, RM 2080.0, RM 2085.0, RM 2090.0, RM 2095.0, RM 2100.0, RM 2105.0, RM 2110.0, RM 2115.0, RM 2120.0, RM 2125.0, RM 2130.0, RM 2135.0, RM 2140.0, RM 2145.0, RM 2



**Step 3 – Establish Incentive Zoning:** The final step is to establish the incentive zoning program (Step 3). For Council and Planning Commission consideration, three options have been developed recognizing that there are several policy choices to be made in establishing the program. The amenities list (based on identified desired community benefits) is based on the draft amenities matrix in the form-based code. The three options are:

Option 1 – *Single Tier, No Weighting* – Provides greatest flexibility to the developer to choose which amenities to include and does not give preference to any individual amenity category.

Option 2 – *2-Tier, No Weighting* – Defines an amenity category that must be satisfied first, in this case, “affordable housing” has been selected as Tier 1 based on the high priority placed on this benefit by the City Council. The remaining amenities follow as Tier 2 and none of the remaining amenity categories are given preference. This option would require that an affordable housing amenity must be provided before any other incentivized capacity is available.

Option 3 – *Single Tier, Policy Weighting* – This option is a variation on Option 1, but provides greater incentive for some amenities by weighting them as follows:

- Affordable Housing receives a 1.5 weighting,
- Schools and Parks and Open Space receive a 1.25 weighting, and
- The remaining categories are weighted at 1.0.

The weighing of amenities would be a way for the regulations to prioritize amenities within the categories, and make it more advantageous for new development to utilize higher weighted categories, while giving developers some flexibility to select the amenities that are most efficient or desirable for them to produce.

The table in Attachment 1 illustrates the options using a hypothetical project in the CMU-150 zone. The draft incentive zoning section of the Form-based Code is excerpted and included as Attachment 2. It is included in the complete draft form-based code for the June 9 Planning



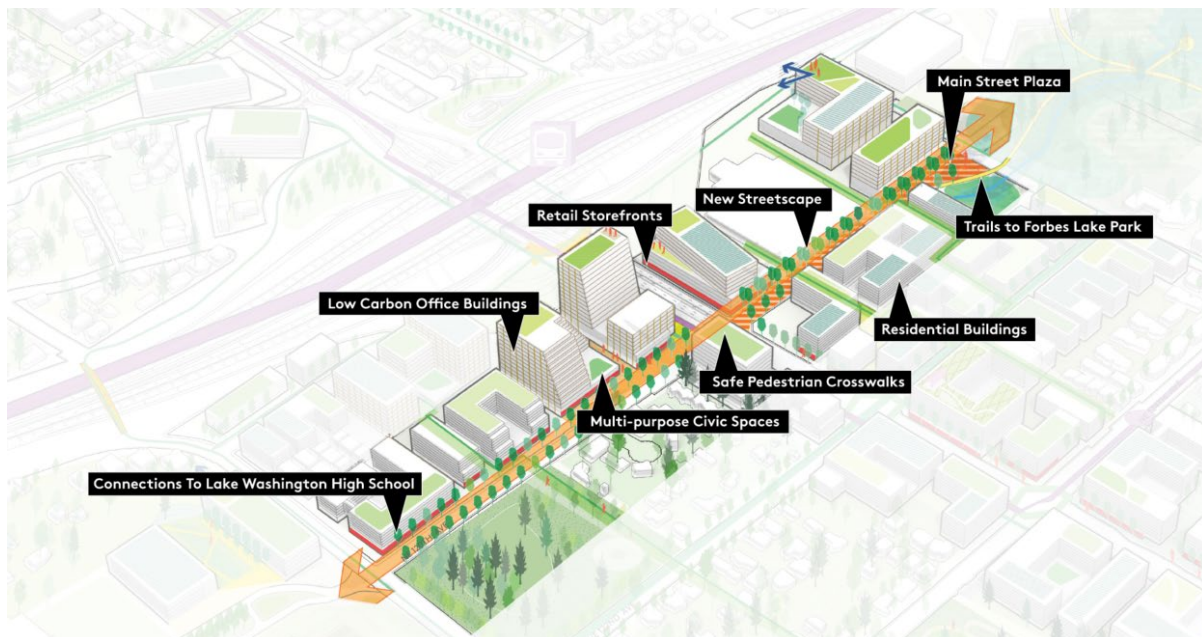
Commission public hearing in order to solicit community feedback on the incentive system. It is important to note that the figures in the illustration and the code are still being finalized. Staff will be seeking Council direction on which option best aligns with Council priorities, with the preferred incentive zoning system to be brought forward at the June 21 Study Session before adoption on June 28.

## **120TH AVE NE “MAIN ST.” CONCEPT UPDATE**

At the May 12 joint study session, some Council and Commission members raised questions about the consistency of the 120<sup>th</sup> Ave NE “Main Street” urban design concept in the Station Area Plan urban design framework being fulfilled by a variety of street types as proposed in the Form-based Code. The feedback included comments that:

- The Main Street urban design concept should be applied for the full length of 120<sup>th</sup> Ave NE from NE 90<sup>th</sup> St to NE 80<sup>th</sup> St;
- The project team should ensure that the transportation facilities are adequate for the volume of person trips that can result from the high intensity office uses in the Commercial Mixed-use District;
- There should be bike facilities provided; and
- The project team should refine the minimum street frontage standards to leverage the frontage of the public Kirkland Cemetery.

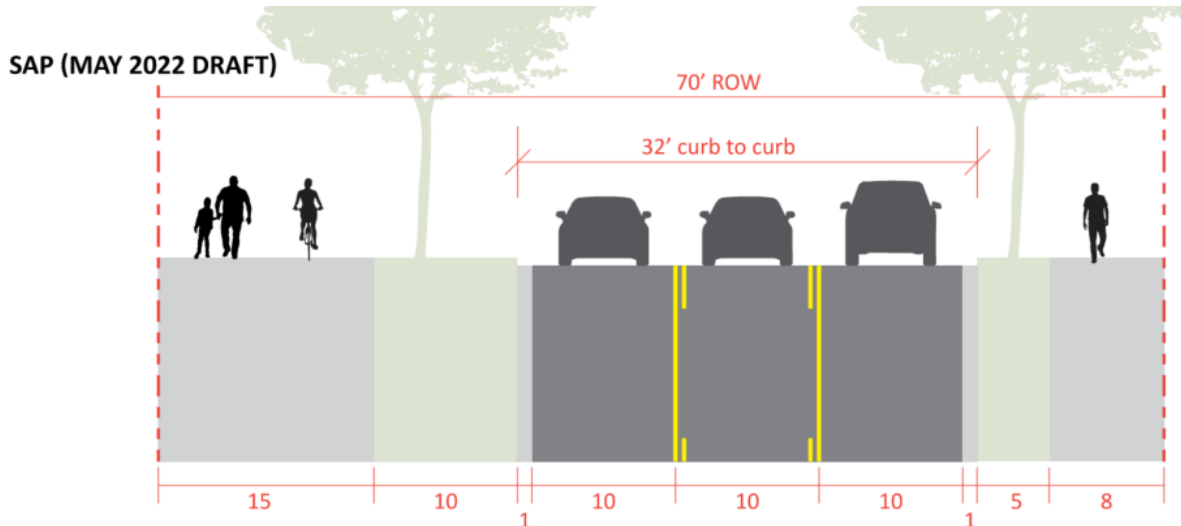
The Main Street urban design concept states that 120th Ave NE, particularly between NE 85th St and NE 90th St, is envisioned as a future main street for the district with wider sidewalks, improved tree canopy, and human-scaled, active ground floors. As part of the Forbes Lake subdistrict, a focus on connections to the lake through landscaping, gateway features, and wayfinding, and connections to the proposed Forbes Lake Park will create a unique complement to existing destinations in the city.



Based on the questions heard from some Councilmembers and Commissioners, staff wishes to clarify the typical cross-section the Form-based Code and recommended infrastructure projects

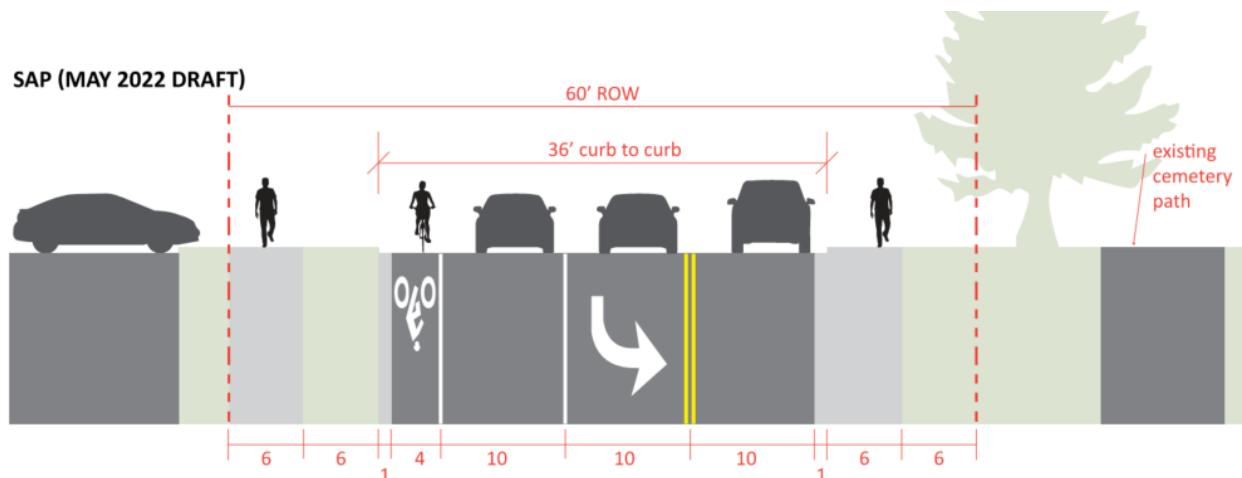
would result in on 120<sup>th</sup>. The below shows the typical proposed cross-sections for the segments north and south of NE 85<sup>th</sup> St.

North of NE 85<sup>th</sup> St, to NE 90<sup>th</sup> St, there is a continuous center turn lane, a generous shared path for walking and rolling, and a widened sidewalk on the east side of the street.



- Expands public right-of-way (ROW) 10' via development dedication
- Adjusts west curb line 4' to narrow street width and widen landscape strip
- Allows multi-modal use of shared use path on west side
- Widens minimum sidewalk width to 8' on east side

South of NE 85<sup>th</sup> St, to NE 80<sup>th</sup> St., there is a continuous center turn lane and southbound (uphill) bike lane, and sidewalks on both sides of the street.



- Maintains existing public right-of-way (ROW)
- Maintains existing curb to curb width, restripes roadway to add center turn lane, extend SB bike lane, and remove existing on-street parking
- Adds sidewalk on east side within existing ROW

Currently, there is only one near-term redevelopment opportunity that the City is aware of along the south segment of 120<sup>th</sup>, which is Google's potential redevelopment of the Lee Johnson site on the west side of the street. As discussed in previous public meetings, the City is currently negotiating a Development Agreement with Google for the site. The required frontage improvements along that portion of 120<sup>th</sup> are anticipated to be agreed upon with the

Development Agreement, will meet or exceed the minimum standards shown, and there are likely additional amenities adjacent to the public realm that will be provided.

There are several factors that make designating a single street cross-section for the full length of 120<sup>th</sup> Ave NE (from NE 80<sup>th</sup> St to NE 90<sup>th</sup> St) challenging. Adding or widening amenities from what is proposed in the above cross sections would require significant additional right-of-way in many locations. The Madison development site in the north and east segment is already being developed under pre-Station Area zoning and standards. Another factor is the unique nature of several parcels along the frontage including the Kirkland Cemetery, the Salt House Church, a King County Housing Authority development, existing single-family and condo properties. Community outreach regarding the main street concept with the public and the property owners would be important. Additionally, at this point in the planning process, alternative concepts would require additional cost analysis to determine the incremental costs for the City and/or developers, and cost allocation, for the added improvements and right-of-way width(s).

Staff's initial review of the proposal is that an urban design concept of a pedestrian focused Main Street Corridor on 120<sup>th</sup> is feasible and achievable with the current standards. Although the configuration of bike lane and shared use path is a different type of bike accommodation along 120<sup>th</sup> Ave north and south of NE 85<sup>th</sup> St, parallel bike networks are proposed via a shared use path roughly parallel to I-405, and on-street buffered bike lanes on 122<sup>nd</sup> Ave NE.

However, staff recognizes the value in advancing this corridor with more detailed consideration of context and does acknowledge that planning for the future should be informed, but not limited, by the constraints of today. Therefore, staff recommends that Council direct a focused corridor study for 120<sup>th</sup> Ave NE to commence soon after adoption of the Station Area Plan. A corridor study could complete additional parcel-level analysis to develop alternative cross sections for the "Main Street" and include the public outreach necessary to ensure the vision pending adoption in the Station Area Plan is met. It is anticipated that a focused study could be completed with a straightforward scope and community engagement process. Recommendations could be adopted and implemented into development standards ahead of future development applications except for the Madison and Lee Johnson sites mentioned above.

## **PLANNED ACTION ORDINANCE STATUS AND UPDATE**

The Final Planned Action Ordinance (PAO) is the culmination of the environmental review process under the State Environmental Policy Act (SEPA) and will include specific mitigation measures for future development and submittal requirements for development applications to be reviewed as planned actions. Planned actions will be those projects that do not exceed thresholds established in the PAO (e.g., activity units, vehicle trips), and are therefore not required to perform environmental review beyond that in the Final SEIS for the Station Area. The purpose of the PAO is to streamline the environmental review of future public and private development projects that help promote the vision of the Station Area Plan.

One benefit of a PAO is that it can provide certainty for future development applicants about the specific infrastructure projects they are required to build with their project, and/or how they may be required to contribute to infrastructure projects that provide system-wide capacity. The project team is currently coordinating with the Finance and Public Works Departments to incorporate the infrastructure projects associated with the SAP into the City's Capital

Improvement Program (CIP). Later this year, the City's Capital Facilities Plan Chapter of the Comprehensive Plan will be updated to reflect the revised CIP and the City will update impact fees to ensure development applicants pay their fair share of the capital costs. At this time, staff is recommending that the adoption of the PAO be delayed until that reconciliation is complete to be sure that the PAO and impact fees are aligned in establishing appropriate development fees and project mitigations.

It is important to note that the PAO does not contain any environmental analysis beyond the work completed in the Station Area Plan Final Environmental Impact Statement (FSEIS). The FSEIS can be supplemented by future SEPA addenda to add additional relevant information. It is anticipated that the City will issue such an addendum prior to Phase 1 Station Area adoption to encompass the supplemental transportation and sustainability analysis completed after issuance of the FSEIS in December 2021 through the formal SEPA process. This supplemental analysis is already available on the Station Area Project webpage and has been discussed previously with Council. Additionally, while staff does not anticipate any development applications prior to Council adoption of the PAO, applications can be submitted immediately upon effectiveness of the Form-based Code but would simply need to go through SEPA review without the benefit of the PAO. In these cases, delay of the PAO would also not prevent the City from requiring mitigation and infrastructure improvements from that development.

## **DEVELOPMENT AGREEMENT UPDATE**

As has been discussed in previous Council meeting packets, and in public meetings, City staff and outside counsel are engaging with Google to explore the terms of a development agreement to provide some certainty for the proposed purchase of the Lee Johnson properties in the Station Area in mid-2022. A development agreement is a voluntary contract between a local jurisdiction and a property owner, detailing the obligations of both parties and specifying the standards and conditions that will govern development of the property. As the 85<sup>th</sup> BRT Station Area planning process began in earnest in 2020, Google and Lee Johnson reached out to City staff in support of the vision for the Station Area and expressed their potential interest in developing the property consistent with the vision, assuming adoption of a Station Area Plan and associated development regulations in mid-2021. At that time, the City Council requested additional analysis related to the fiscal impact and community benefits of the Station Area Plan, delaying the planned adoption of the Station Area plan until mid-2022. Upon completion of the supplemental work and adoption of the Preferred Plan Direction in December 2021, staff recommended that the zoning work be completed in two phases to provide more time for Council and Planning Commission, and public consideration of the zoning, as described earlier. Phase 1 encompassing the Mixed Use Commercial Zone is targeted for adoption by June 30, 2022.

There are two primary reasons why staff believes the development agreement process is important to pursue around the time that Phase 1 of the Station Area Plan work is adopted:

1. For the Station Area to achieve its vision and capitalize on the once-in-a-generation investment in mass transit that the BRT station represents, there needs to be one or more catalyst projects to drive redevelopment. As the City experienced with its up-zoning in Totem Lake over two decades ago, without a catalyst project the vision is likely to be entirely dependent on the volatility of the real estate market. By enabling the catalyst project to proceed, while ensuring it is supportive of the Station Area vision,



the City can help ensure that the BRT investment achieves its promise and that the impacts of new development can be addressed. In the absence of the catalyst project and the Station Area Plan, under current market conditions, it is likely that the area will redevelop as multi-family housing that may not be able to support the impacts on services and infrastructure or provide the full range of public benefits desired by the community.

2. At the same time, one of Kirkland's long-time businesses and largest sales tax producers is planning to sell its property and has entered into an option for another site in Kirkland. In order for the owner to decide whether to exercise the option before it expires, Google must make a decision by mid-2022 on whether to purchase the Station Area site and develop it as a catalyst project. A development agreement will provide the certainty Google needs to make a timely decision for the current owner. The potential to retain an important existing business within Kirkland in a different location while obtaining a catalyst project within the Station Area presents the best opportunity to maximize community and economic and benefits for the City.

The City and Google are negotiating terms for a potential development agreement that could give Google the certainty it needs to make a purchase decision while ensuring that development of a catalyst project by Google would meet or exceed the outcomes intended by the requirements in the new Form Based Code for the Station Area that the City is developing at the same time. The development agreement may meet or exceed the requirements in alternate ways. An example of a potential difference might be larger floor plates authorized in the development agreement than in the draft Form Based Code but with offsetting investments in community benefits or less height than allowed in some areas.

If agreement is reached on these and other terms of the development agreement, a development agreement could be entered into contingent on approval of the zoning or after Phase 1 zoning is adopted. The development agreement process, as established by RCW 36.70B.170, requires a public hearing before such agreement is approved by ordinance or resolution. Staff anticipates that this hearing is likely to occur in July 2022, after adoption of Phase 1 of Station Area Plan.

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

The City held a virtual Open House for the Station Area Plan on May 18, 2022. At that session, the project team provided an overview of the draft Phase 1 Station Area Plan documents, explained the legislative process through which the code amendments will be considered for adoption, provided information about how the community can engage in that legislative process by providing comments to the Planning Commission at, and prior to, their June 9 public hearing, and conducted several Question and Answer segments throughout the meeting. The Station Area project webpage has links available to view a [recording of the meeting](#), see the [presentation slides](#), and read the written [questions and answers](#) from the live session.

The City is also providing in-person opportunities for community members to have access to the final draft documents and engage with staff members at City Hall during business hours prior to the Planning Commission hearing. There is currently a standing Station Area Open House display in the north lobby of City Hall that includes individual overviews of key Station Area Plan topics, and provides a high level summary of the plan for each component. Staff continues to be available via phone, email, or in-person if any community members seek additional

information on the plan or process. Staff has also provided printed materials to community members upon request. Additionally, a brochure containing the visual overview of the Station Area Plan and information about the June 9 Planning Commission hearing will be mailed to every residence in the City prior to the hearing.

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 or Commission meetings under *Items from the Audience*, and via email directly to the Council, Planning Commission, or staff at any time.

Specific to the Planning Commission public hearing, oral testimony may be provided live (virtually) to the Commission on June 9, or via written comment to the Commission prior to hearing.

### **NEXT STEPS**

The Planning Commission is scheduled to hold a public hearing to consider the Comprehensive Plan, Zoning Code, and Zoning Map amendments and take public testimony, on June 9, 2022. The hearing will be held virtually on the Zoom platform. If the length of public testimony or Commission discussion necessitates, their deliberation may be continued to another Commission meeting on June 14.

Following their deliberation, the Commission will make a recommendation to the City Council. Council will receive the recommendation at the June 21 Council meeting and will give final direction to be incorporated for potential adoption at the Special Council meeting on June 28, 2022.

### **ATTACHMENTS**

1. Incentive Zoning Structure Options
2. Draft Incentive Zoning Program Section (excerpt from draft Form-based Code)

# NE 85th ST STATION AREA PLAN

## Illustration of Potential Implications of IZ Program Structure Options

List of Eligible Amenities	Bonus Ratio (base)	Bonus Ratio (weighted)	Developer Provided Amenity	OPTION 1 Single Tier, No Weighting		OPTION 2 2-Tier, No Weighting		OPTION 3 Single Tier, Policy Weighting	
				IZ Space Earned	Amenity Provided	IZ Space Earned	Amenity Provided	IZ Space Earned	Amenity Provided
AFFORDABLE HOUSING									
Commercial development contribution	\$25.00	\$16.67	Funds for Affordable Housing	10,000 sf	\$250,000	50,000 sf	\$1,250,000	25,000 sf	\$416,667
MOBILITY / TRANSPORTATION									
Enhanced Mid-block Green Connections	5.0	5.0	SF of enhanced investment in mid-block connections	25,000 sf	5,000 sf	25,000 sf	5,000 sf	25,000 sf	5,000 sf
PARKS / OPEN SPACE									
Public Open Space (outdoor)	6.0	7.5	SF of outdoor public open space	35,000 sf	5,833 sf	10,000 sf	1,667 sf	35,000 sf	4,667 sf
Public Community Space (indoor)	7.0	8.8	SF of indoor community use space	15,000 sf	2,143 sf	10,000 sf	1,429 sf	0 sf	0 sf
SUSTAINABILITY									
Enhanced Performance Buildings	40.0	40.0	Investment in enhanced building performance	0 sf	\$0	0 sf	\$0	0 sf	\$0
Ecology and Habitat (GF score above 0.6)	1.4	1.4	SF of enhanced ecological investment	10,000 sf	7,143 sf	10,000 sf	7,143 sf	10,000 sf	7,143 sf
Innovation Investments: Energy and Decarbonization	40.0	40.0	Investment in energy and decarbonization innovation	0 sf	\$0	0 sf	\$0	0 sf	\$0
SCHOOLS, EDUCATION, AND CHILDCARE									
ECE/Day Care Operation Space	10.0	12.5	SF of indoor ECE/day care space for non-profit user	10,000 sf	1,000 sf	10,000 sf	1,000 sf	10,000 sf	800 sf
School Operation Space	10.0	12.5	SF of indoor school operation space	10,000 sf	1,000 sf	0 sf	0 sf	10,000 sf	800 sf
OTHER APPLICANT PROPOSED AMENITIES									
Flexible Amenity Options: applicant proposed and City approved amenities (case-by-case)	40.0	40.0	Negotiated amenities to be approved by Council	0 sf	0 sf	0 sf	0 sf	0 sf	0 sf

## INCENTIVE PROGRAM

### PURPOSE

The purpose of the Incentive Zoning Program within the Subarea is to provide additional development capacity above the allowed base height zoning in exchange for providing amenities with a clear public benefit while addressing the impacts that this additional development might have on the community.

### GENERAL

The incentive zoning program may be utilized to achieve development up to the bonus maximum allowed height where the regulating district map (Fig. 2 of this chapter) identifies both a base and maximum allowed height (e.g., CMU 85'/150'). Where a regulating district identifies only a base maximum height, that property is not eligible to receive incentive development capacity (e.g., CMU 60). In no case may the incentive zoning allow development that exceeds the maximum building height as allowed in Figure 2.

### REQUIRED REVIEW

The Planning and Building Director may approve an application for incentive zoning that complies with Table 6 if the Director finds that:

1. The design and/or extent of the amenity meets the established criteria; and
2. Where amenities are to be provided on the subject property, a public benefit will be derived from the development of the proposed amenity in the proposed location.

An application for incentive zoning shall be made on the forms provided by the City and submitted with the established application fee.

An applicant may propose flexible amenity options as identified in Table 5 through a Development Agreement subject to the provisions of Section 57.05.03 of this Chapter provided that the City finds that the flexible amenity options clearly meet or exceed the public benefit that would result from the standard incentive amenities.

### INCENTIVE AMENITIES AND EXCHANGE RATES FOR INCENTIVE CAPACITY

Tables 5 and 6 describe the incentive amenities that may be provided to receive incentive capacity and the exchange rate at which incentive capacity will be granted for each unit of amenity provided. Measurements shall be in square feet (indicated as sf in Tables).

Table 5: Incentive Amenities

Proposed List of Eligible Amenities	Public Benefit Provided
<b>AFFORDABLE HOUSING</b>	
<b>Commercial development:</b> Affordable housing contribution (fee-in-lieu)	Fee revenue for affordable housing
<b>MOBILITY / TRANSPORTATION</b>	
<b>Enhanced Mid-block Green Connections:</b> Enhancement to an active transportation connection through a property that provides a route alternate to the vehicular road network, established through either a public easement, or right-of-way dedication.	Square feet of enhanced mid-block green connections
<b>PARKS / OPEN SPACE</b>	
<b>Public Open Space (outdoor):</b> Outdoor space available for public use such as plazas, pocket parks, linear parks, rooftops, etc .	Square feet of improved public outdoor park-like space
<b>Public Community Space (indoor):</b> Space available for civic or community uses such as arts or performance spaces, after-school programming, recreation, event space, etc .	Square feet of improved public indoor community space
<b>SUSTAINABILITY</b>	
<b>Enhanced Performance Buildings:</b> Design, build, and certify to achieve <u>Living Building Challenge v4 Carbon Certification</u> or <u>Living Building Challenge v4 Petal Certification</u>	New buildings that exceed Kirkland High Performance Building Code
<b>Ecology and Habitat:</b> Achieve a Green Factor Score <u>of at least 0.75</u> - (as-of-right requires projects to demonstrate a score of at least 0.4)	SF of land, enhanced ecology/habit
<b>Innovation Investments:</b> Design, build and operate innovative energy and/or decarbonization systems (on-site or within SAP)	New and innovative sustainability infrastructure in the Station Area
<b>SCHOOLS, EDUCATION, AND CHILDCARE</b>	
<b>ECE/Day Care Operation Space:</b> Floor area dedicated to child care, or Preschool learning space, as defined in KZC 5.10.194	Long-term dedication of building space for non-profit childcare use
<b>School Operation Space:</b> Floor area dedicated to school operation as defined in KZC 5.10.825	Long-term dedication of building space for education use
<b>OTHER APPLICANT PROPOSED AMENITIES</b>	
<b>Flexible Amenity Options:</b> Applicant may propose amenities not on this list (on a case-by-case basis). Amenities must have a clear public benefit and will be subject to approval by the City and formalized in a development agreement.	TBD



Table 5: Incentive Amenities

List of Eligible Amenities		Alternative Bonus Ratio Options				Amenity Provided per 20,000 Sf of IZ Space		
		Measure of Exchange Rate	Bonus Ratio (base)	Policy Weighted Bonus Ratio			Bonus Ratio (base)	Bonus Ratio (priority)
				Priority Rank	Priority Weight	Bonus Ratio (priority)		
AFFORDABLE HOUSING								
Commercial development contribution	Voluntary fee per SF of incentive bonus space	\$25.00	1	1.50	\$16.67	\$500,000	\$333,333	
MOBILITY / TRANSPORTATION								
Enhanced Mid-block Green Connections	Bonus SF per SF of enhanced connections	5.0	3	1.00	5.0	4,000 sf	4,000 sf	
PARKS / OPEN SPACE								
Public Open Space (outdoor)	Bonus SF for each SF of improved public space	6.0	2	1.25	7.5	3,333 sf	2,667 sf	
<u>Public Community Space (indoor)</u>	Bonus SF for each SF of improved public space	7.0	2	1.25	8.8	2,857 sf	2,286 sf	
SUSTAINABILITY								
Enhanced Performance Buildings	Bonus SF per \$1,000 invested	40.0	3	1.00	40.0	\$500,000	\$500,000	
Ecology and Habitat (GF score above 0.75)	Bonus SF for each SF of enhanced ecology/habitat land	1.4	3	1.00	1.4	14,286 sf	14,286 sf	
Innovation Investments: Energy and Decarbonization	Bonus SF per \$1,000 invested	40.0	3	1.00	40.0	\$500,000	\$500,000	
SCHOOLS, EDUCATION, AND CHILDCARE								
ECE/Day Care Operation Space	Bonus SF for each SF of ECE/Day Care space	10.0	2	1.25	12.5	2,000 sf	1,600 sf	
School Operation Space	Bonus SF for each SF of school space	10.0	2	1.25	12.5	2,000 sf	1,600 sf	
OTHER APPLICANT PROPOSED AMENITIES								
Flexible Amenity Options	TBD	40.0	3	1.00	40.0	\$500,000	\$500,000	