

City Council Briefing

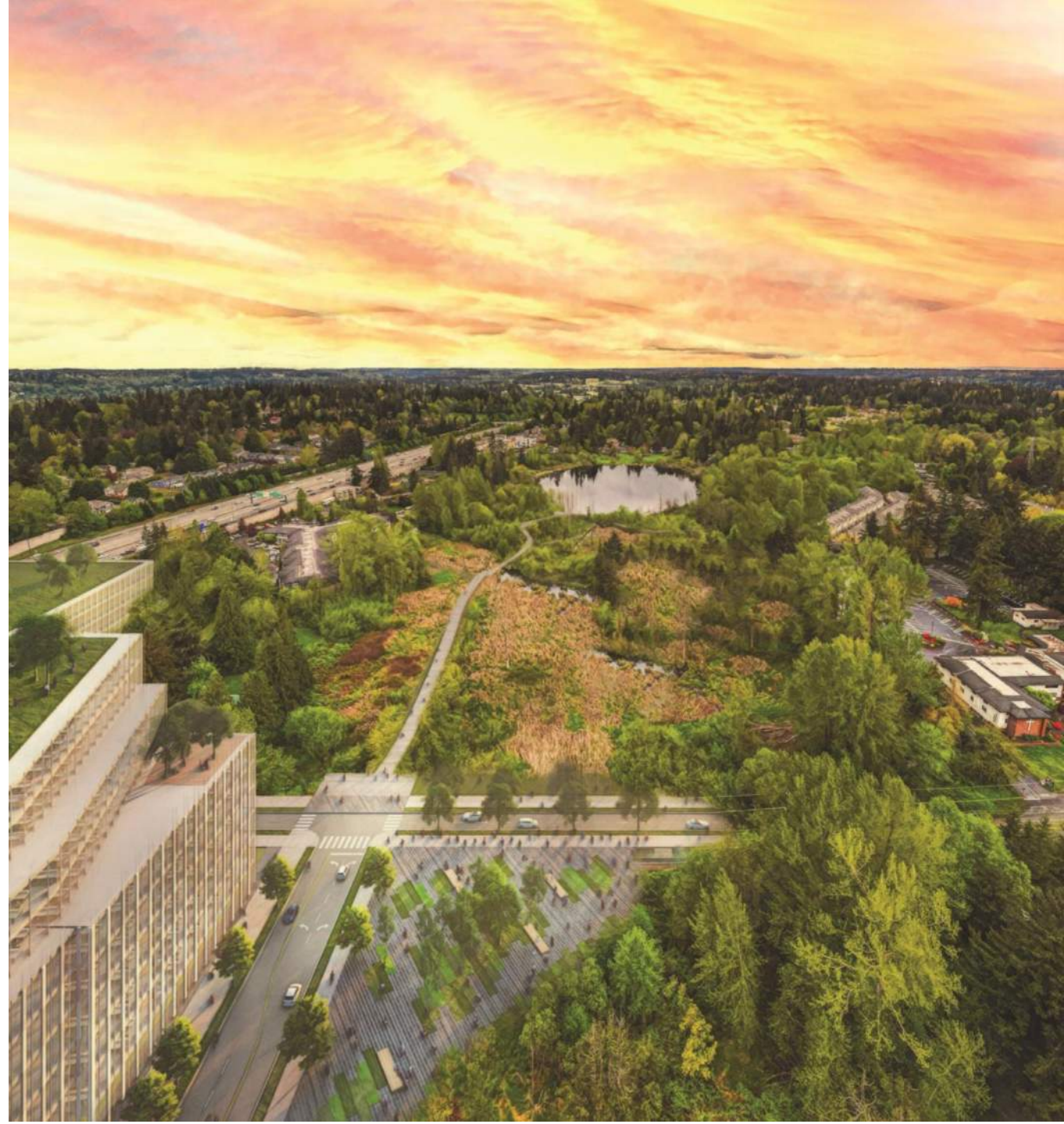


NE 85th Station Area Plan – Phase 2 Update

September 20, 2022

MITHÜN BERK BUSS ECONorthwest

FEHR & PEERS HERRERA RUSHING



Tonight's Agenda

- **Phase 1 Adoption Review**
 - **Phase 2 Overview**
 - **Questions for Council:**
*Affordable Housing &
Incentive Zoning Structure*
-



Station Area – 2044 Vision

The Station Area is a thriving, transit-oriented, new walkable district with high tech and family wage jobs, plentiful affordable housing, sustainable buildings, park amenities, and commercial and retail services.





Phase 1 Adoption

Why Plan for the NE 85th Station Area?

The Station Area Plan was directed by the City Council in 2019 to leverage the once in a generation regional BRT transit investment... and proactively plan for potential growth over the next 20+ years (adopted resolution R-5356).

The planning objective is to maximize transit-oriented development, and create the most:

- Opportunity and Inclusion
- Value for the City
- Community Benefits including affordable housing, improved sustainability benefits, park and mobility improvements, and solutions for school capacity
- and Quality of Life for all



Phase 1 Adoption: What has been decided already in planning process?

On June 28, 2022 Council adopted:

- **Station Area Plan**
(Resolution R-5547)
- **Comprehensive Plan Amendments**
(Ordinance O-4800)
- **Phase 1 Parcel Rezones** (Ordinance O-4801)
- **Phase 1 Zoning Code Amendments / FBC**
(Ordinance O-4802)
- **Municipal Code Amendments & Design Guidelines**
(Ordinance O-4803)



Station Area Plan Document

EXECUTIVE SUMMARY

PROJECT CONTEXT

EXISTING CONDITIONS

04 COMMUNITY BENEFIT STRATEGIES

05 VISION AND URBAN DESIGN FRAMEWORK



LAND USE AND ZONING

PARKS, OPEN SPACE AND ENVIRONMENT

TRANSPORTATION
AND MOBILITY

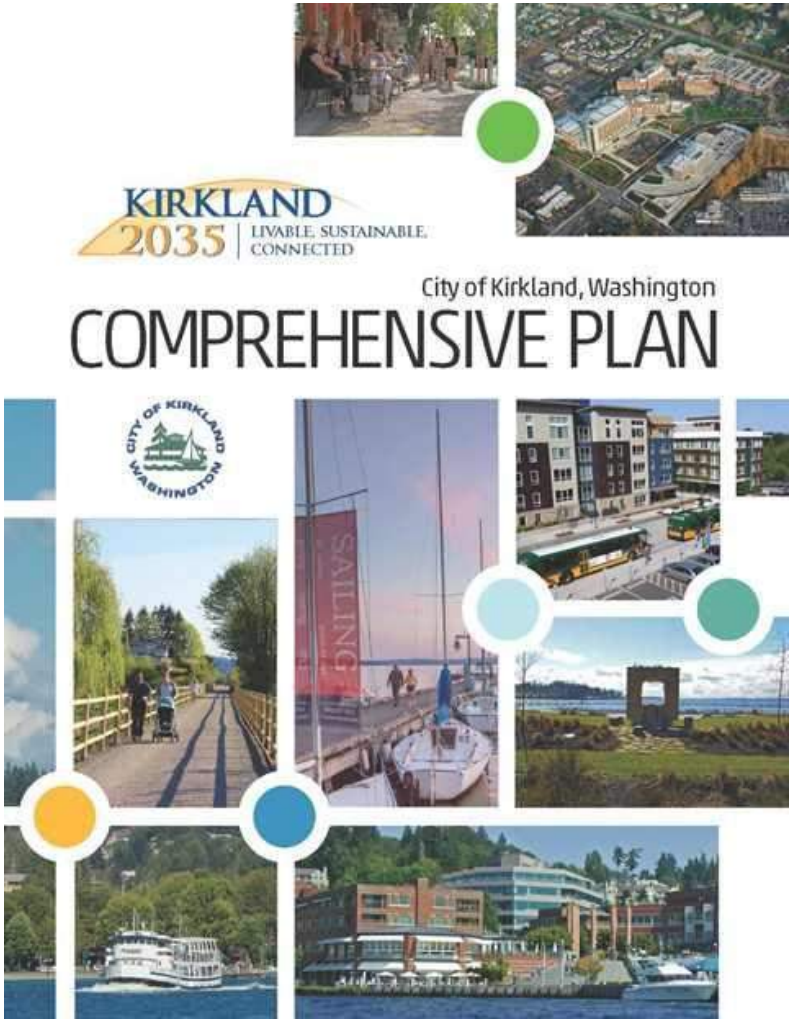
UTILITIES AND PUBLIC SERVICES

SUSTAINABILITY FRAMEWORK

Comprehensive Plan Amendments

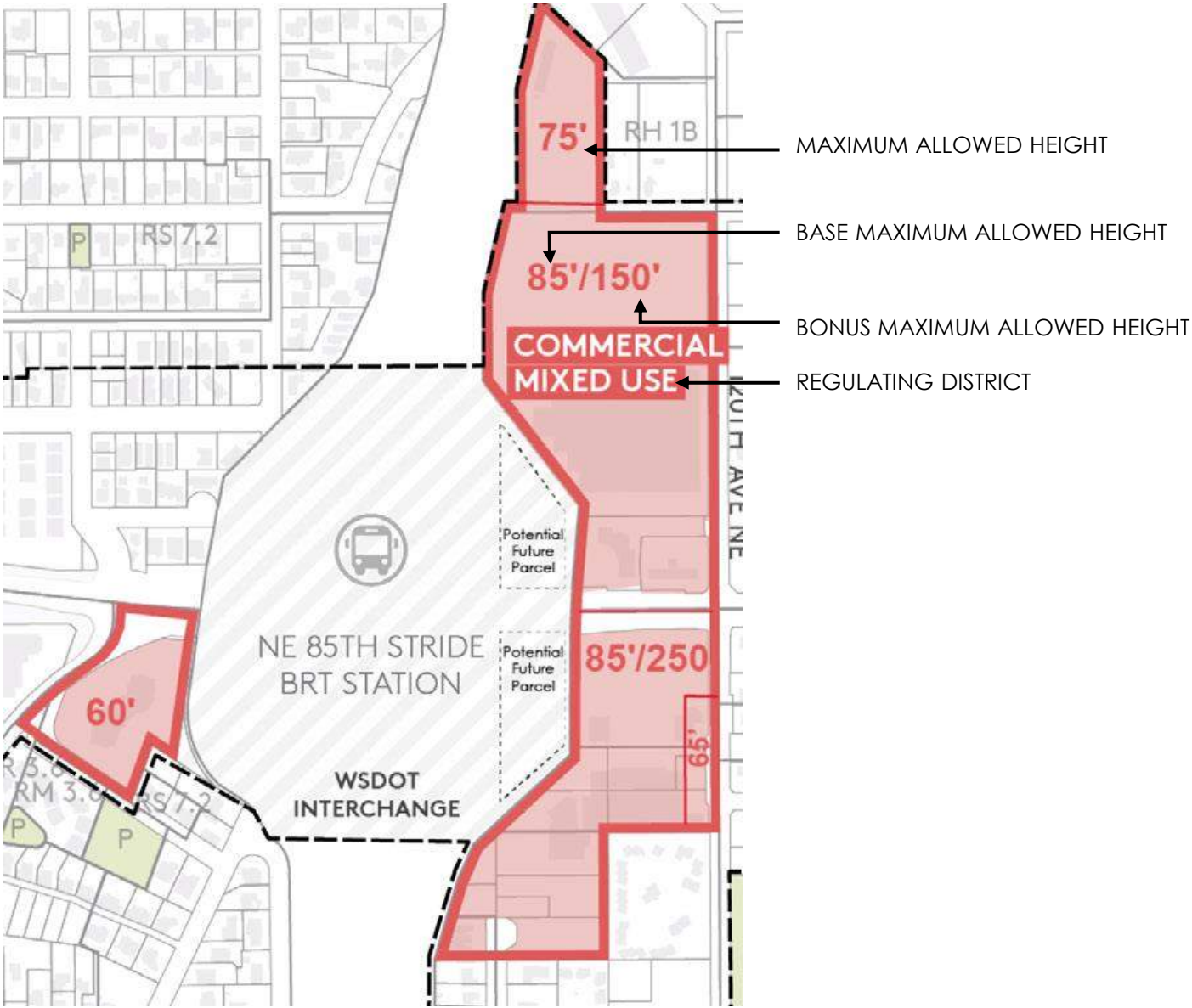
- New Station Area Chapter added to establish goals and policies for future growth
- Addresses Station Area relationships to Neighborhood Plans
- Includes goals and policies for Housing, Economic Development, Natural Environment & Sustainability, Parks & Open Space, Transportation, Urban Design, Public Services, Schools, and Implementation.
- Establishes Subarea household and employment growth capacities for horizon year of 2044

2044 Growth Capacity	
Total Households	8,152
Total Employment (Jobs)	22,751



Phase 1 Parcel Rezones

Commercial Mixed Use Regulating District only



CMU Rezones for Phase I

Phase 1 Form-based Code

Commercial Mixed-use District and Districtwide Standards

New Base Requirements for rezone parcels

Urban Design

- Frontage standards to support pedestrian-scaled, active environments
- Transition standards

Mobility

- Enhanced street improvement standards to support walking and rolling
- New bike parking requirements and lower minimum required vehicular parking ratios

Sustainability

- High Performance Building Standards
- Renewable Energy Production
- Green Factor

KIRKLAND ZONING CODE CHAPTER 57 FORM-BASED CODE FOR THE NE 85TH STREET STATION AREA PLAN

57.05 Introduction	2
57.05.01 Background	2
57.05.02 Purpose	2
57.05.04 Code Organization	2
57.05.05 Administrative Process	4
57.05.06 Definitions	4
57.05.07 Relationship to Other Regulations	4
57.10 Regulating Districts	5
57.10.01 Purpose	5
57.10.02 Applicability	5
57.10.03 Regulating Plan	6
57.10.04 Regulating District Standards	7
57.15 Frontage Types	11
57.15.01 Purpose	11
57.15.02 Applicability	11
57.15.03 Frontage Types Components	12
57.15.04 Frontage Types Standards	14
57.20 Street Types	30
57.20.01 Purpose	30
57.20.02 Applicability	30
57.20.03 Street Types Map	31
57.20.04 Using Street Types	32
57.20.05 Street Types Standards	33
57.25 Districtwide Standards	39
57.25.01 Purpose	39
57.25.02 Applicability	39
57.25.03 Rooftop Appurtenances, Amenities, and Structures	39
57.25.04 Landscaping, Green Infrastructure, and Environmental Features	39
57.25.05 Transitions	40
57.25.06 Parking	42
57.25.07 Green Innovation	44

PHASE 1 FORM-BASED CODE

INCENTIVE ZONING PROGRAM

COUNCIL SELECTED OPTION 3A TO INCLUDE IN THE PHASE 1 FORM-BASED CODE

Option 3A: Policy-weighted, variety of amenities required

An applicant must provide incentive amenities from at least two different categories in order to receive incentive capacity. No more than 75% of the requested incentive capacity may be achieved through provision of amenities in a single category. Applicants may choose to provide amenities from more than two amenity categories.

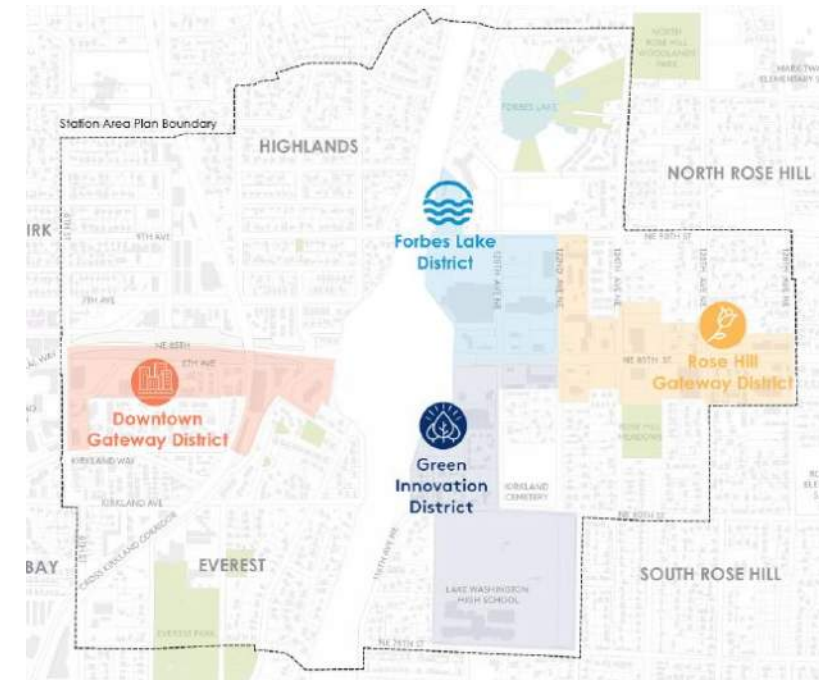
Option 3B: Policy-weighted, housing required

An applicant must provide incentive amenities from at least two different categories in order to receive their requested incentive capacity. No more than 75% of the requested incentive capacity may be achieved through provision of amenities in a single category, and at least one of the provided amenities must be in the Affordable Housing category. Applicants may choose to provide amenities from more than two amenity categories.

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

Draft Design Guidelines

- Review by the Design Review Board will be required for new buildings greater than one (1) story in height or greater than 10,000 square feet of gross floor area.
- **Site Planning** guidelines include:
 - Streetscape
 - Public Spaces (plazas, courtyards, terraces, gardens)
 - Pedestrian Connections & Wayfinding
 - Lighting
 - Screening of Trash & Service Areas
 - Signs
 - Landscaping
- **Building Design** guidelines include:
 - Orientation to Street
 - Massing/Articulation
 - Parking Garages
 - Blank Wall Treatments
 - High-Quality Design
- Draft also includes specific **guidelines by character sub-district**





CATALYST PROJECT IMPLEMENTATION

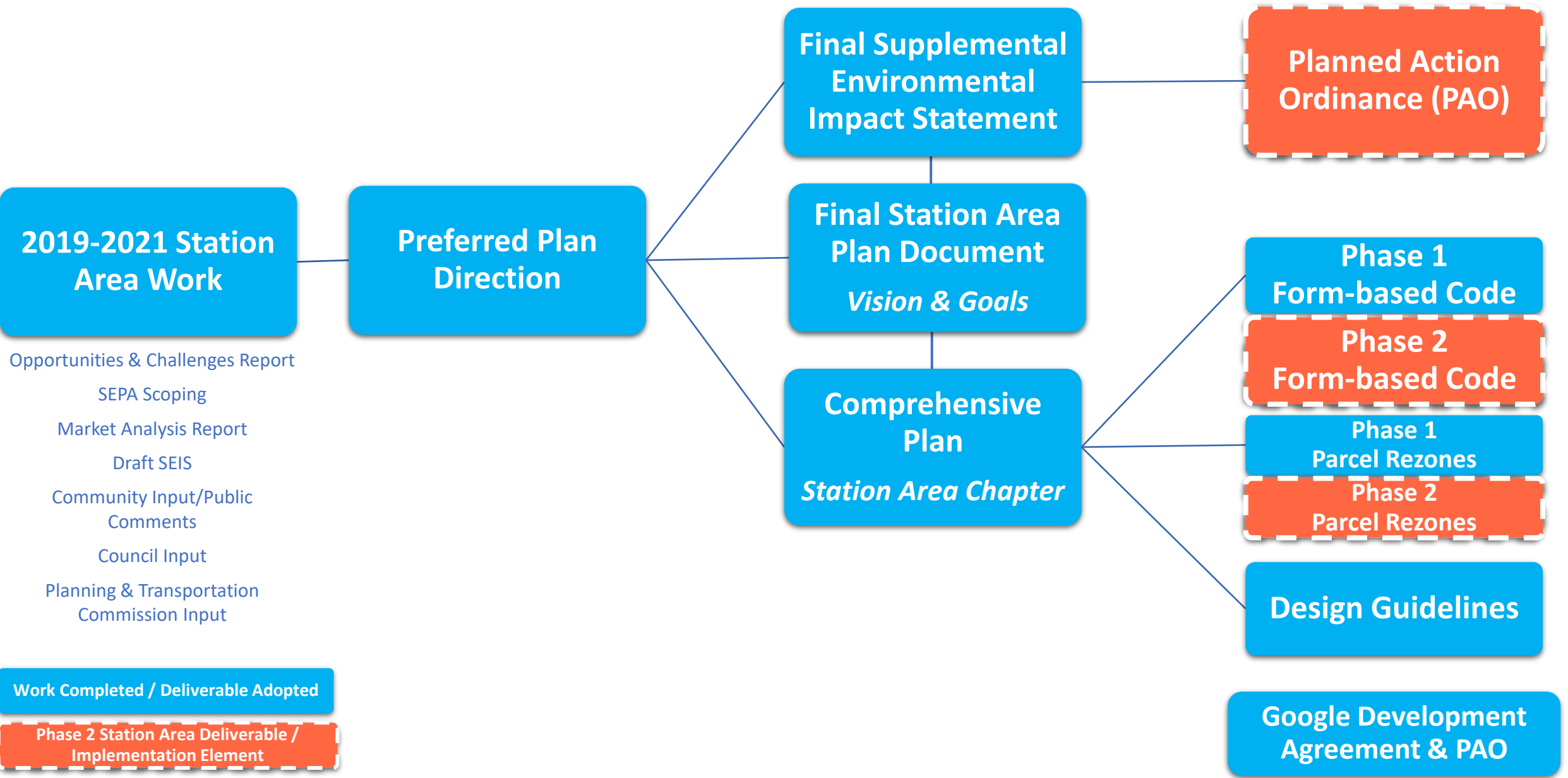
Google Development Agreement

- Council adopted Development Agreement (DA) with Google on July 19, 2022
- DA consists of 36 sections and 8 detailed exhibits
- Five project phases over initial term of 10 years (possible 5-year extension)
- Topic areas:
 - Entitlement approvals and SEPA
 - Vesting to development standards
 - Alternatives to Form-based code
 - Community benefits and amenities
 - Parking, roadways, and transportation improvements
 - Impact fees and concurrency
 - Community benefit incentive payment; extension of term; other provisions

Google Planned Action Ordinance (PAO)

- Council adopted Google Planned Action Ordinance on September 6, 2022
- Culmination of environmental review process under State Environmental Policy Act (SEPA)
 - PAO does not contain environmental analysis beyond that completed in FSEIS and Addendum
- Includes specific mitigation measures for future development, largely by referencing adopted DA, and submittal requirements for development applications
 - DA details requirements for transportation and utility infrastructure projects required to be constructed by Google
- Streamlines environmental review of future development applications
 - Provides certainty about required mitigations
 - City's review of applications will include a consistency review and determination to ensure development does not exceed the development and impact thresholds established in PAO

Station Area Deliverables Workflow



PHASE 2 OVERVIEW



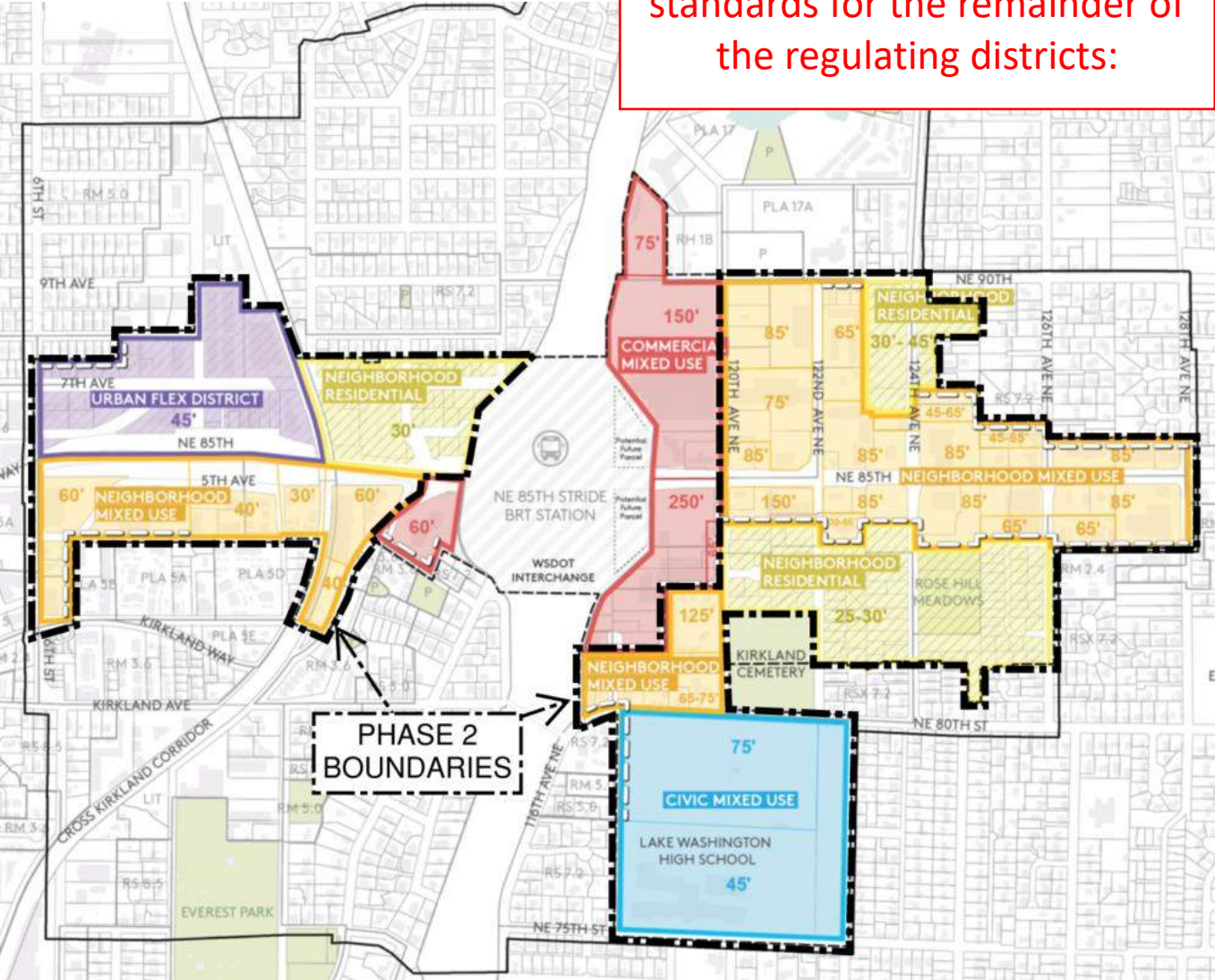
Phase 2 Adoption: What still needs to be decided in planning process?

- **Form-based Code (KZC amendments) for perimeter districts**
- **Station Area Planned Action Ordinance**



Phase 2 Form-based Code (KZC Amendments)

Phase 2 will include regulating standards for the remainder of the regulating districts:



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Station Area Planned Action Ordinance (PAO)

- Will cover full Station Area outside of Lee Johnson site
- Culmination of environmental review process under State Environmental Policy Act (SEPA)
 - PAO does not contain environmental analysis beyond that completed in FSEIS and Addendum
- Includes specific mitigation measures for future development, based on FSEIS findings
- Streamlines environmental review of future development applications
 - Provides certainty about required mitigations
 - City's review of applications will include a consistency review and determination to ensure development does not exceed the development and impact thresholds established in PAO

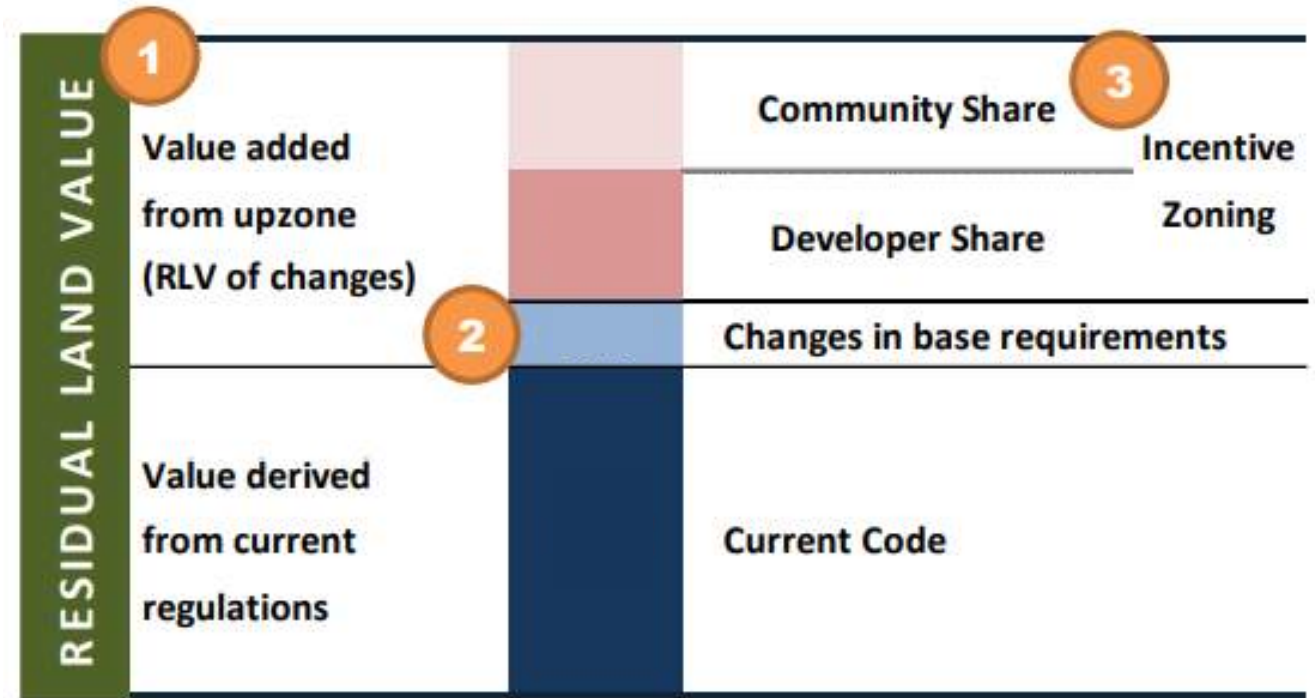
Questions for Council



Incentive Zoning Analysis Review (Phase 1 & 2)

The Incentive Zoning Analysis answered 3 questions

1. How much private value is created through changes in land use policy (e.g., height increases, required parking reductions)?
2. How much of that new value is used to meet increased base development requirements?*
3. How much of the value might be left to support a functional incentive zoning program?



*Station Area base requirements analyzed include: new infrastructure requirements; compliance with High Performing Building Code; minimum Green Factor score of 0.4.

What is different about Phase 2 districts?

The regulating districts that are a subject of Phase 2 are distinct from the Phase 1 district (Commercial Mixed-use)

- **Allowed Uses:** Phase 2 districts will allow residential uses that are prohibited in the CMU district.
- **Development Capacity:** Phase 2 districts will generally allow less density and have lower heights than the CMU district.
 - Capacity for new development to provide community benefits (beyond new base requirements) through an incentive zoning program will be less than that on CMU properties.
- **Specific Character of Districts:**
 - Civic Mixed-use district encompasses Lake Washington High School.
 - Urban Flex district includes portions of the Norkirk light industrial area with existing uses that are expected to continue.
 - Neighborhood Residential and Urban Flex District proposed changes to development capacity (i.e., allowed maximum height) is minimal (and on many properties no increase to allowed height is proposed).

Questions for Council

To guide development of the Phase 2 FBC and incentive zoning program, staff requests Council's direction (5 questions):

1. Does Council confirm that affordable housing should be the priority for Phase 2 Zoning?
2. What should the priority be among affordable housing options in the Station Area?
 - Option 1: Providing units at deeper levels of affordability
 - Option 2: Providing more affordable units at current affordability level (e.g., increasing inclusionary requirement for new development above 10%)
 - Option 3: Providing affordable units with higher bedroom counts (2+) that would be suitable for families and larger households

Questions for Council

To guide development of the Phase 2 FBC and incentive zoning program, staff requests Council's direction (5 questions):

3. Should the code focus on encouraging production of affordable housing units in the Station Area over other uses (i.e., a structure that incentivizes residential development more than commercial)?
4. Affordable housing production can be focused into the BASE requirements, or into INCENTIVE requirements. Does Council prefer either option at this point, or is it preferred to select the option that provides the most units?
5. Are there other community benefit categories (Mobility, Open Space and Parks, Sustainability, or Schools) that should be prioritized in Phase 2?

Does Council have any other direction for staff to consider in Phase 2?

Next Steps

Staff will take direction from tonight, complete drafting Phase 2 FBC, and begin discussions with Planning Commission and the community.

- September 22, 2022: *Planning Commission meeting – Phase 2 overview*
- October 13, 2022: *Planning Commission study sessions – draft FBC Part 1*
- October 27, 2022: *Planning Commission study sessions – draft FBC Part 2*
- October 2022: *Community Open House*
- November 10, 2022 (tentative): *Planning Commission public hearing - Zoning Code amendments (Phase 2 FBC)*
- November 2022 (tentative): *City Council public hearing – Planned Action Ordinance*
- December 13, 2022 (tentative): *City Council consideration of Phase 2 adoption (FBC and PAO)*