



MEMO TO: Members of the City Council

FROM: Mayor John Marchione

DATE: October 8, 2019

SUBJECT: Proctor Willows Master Plan and Development Agreement

I. RECOMMENDED ACTION

Begin review for action on the Proctor Willows Type V Quasi-Judicial consolidated permit for the development of a 15.6-acre site consisting of 174 townhomes and a six-story 195-unit mixed-use residential building with 22,000 square feet of commercial space, to determine consistency with the Redmond Zoning Code and Comprehensive Plan and to direct staff to schedule a public hearing.

II. DEPARTMENT CONTACTS

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<i>Planning and Community Development Department</i>	

III. DESCRIPTION/BACKGROUND

The Proctor Willows project requires a Master Plan and Development Agreement approvals to proceed. Development Agreements require a public hearing before the City Council, followed by Council approval. Under the Redmond Zoning Code (RZC), the Master Plan is required to be reviewed by Council in a consolidated package when a Development Agreement is sought. The following City Council meetings have been scheduled to facilitate the required review and approval process.

Date	Council Meeting
✓ September 24	Committee of the Whole
✓ October 1	Council Staff Report
October 8	Study Session
November 19	Public Hearing and Potential Final Action

Because the Proctor Willows project requires a Type V Quasi-Judicial decision of the City Council, the proceedings are governed by the Appearance of Fairness Doctrine.

Communications outside of a Council meeting must be disclosed and could result in the disqualification of a decisionmaker if objections to participation are raised by the parties.

Project Context

The proposed project is located within the Willows/Rose Hill Neighborhood and is zoned Northwest Design District (NWDD), as approved by City Council on March 5, 2019. The site is approximately 15.6-acres in size and is currently undeveloped. It is bounded by 124th Road NE on the north and Willows Road NE on the east and commercial uses to the south and west.

One of the primary goals of NWDD is to encourage residential uses within a variety of housing types while also providing neighborhood-scaled commercial services that meet the daily needs of nearby residents and employees working within the Willows employment corridor. The NWDD zoning regulations are intended to have flexibility and to respond to the site. The intended purpose of the regulations is to create a moderately dense mixed-use neighborhood. In 2019 as part of the design district adoption, an increased affordable housing component was included for the site which requires that 10 percent of townhome units be restricted to 80 percent of area median income and 10 percent of the apartment units be restricted to 70 percent area median income.

Project Description

The project is proposing a six-story mixed-use building that includes 195 residential units and 22,000 square feet of commercial space, 174 townhomes with approximately 3.21 acres of usable open space and associated infrastructure upgrades. Additionally, the Master Plan is proposing new pedestrian trail connections and enhancements, a gateway feature for the City entryway, new bike lanes and multimodal pathway (NE 124th) and voluntary wetland and stream restoration. The project site has significant changes in topography increasing 85 feet in elevation from the east to west boundary. Full buildout of the development is proposed to be completed in three phases.

The Technical Committee has provided a recommendation of approval to the City Council. A thorough analysis has been prepared for the City Council's review and goes over the project's compliance with the following:

- Comprehensive Plan
- Redmond Zoning Code
- Master Plan Decision Criteria (RZC 21.76.070.P.5)
- Development Agreement Criteria (RZC 21.76.070.L.3)

In summary, the proposed project meets all applicable decision criteria listed in the paragraph above and dimensional requirements of the zone. The project application also implements the vision and policies set forth in the Comprehensive Plan for Willows/Rose Hill. Key goals the project helps realize for the zone include:

- LU-26, Subpoint 1: The proposal is generally consistent with the City's land use and community character objectives (CC-14, CC-20, CC-22).
 - o CC-14: Identify public view corridors unique to Redmond, such as those of Mount Rainier, Mount Baker, the Sammamish Valley, Lake Sammamish, the Sammamish River, the Cascade Mountains; and, when feasible, design streets, trails, parks and structures to preserve and enhance those view corridors through such means as: 1) Site and landscaping planning and design to preserve views; 2) Removal of invasive plants, 3) Framing views with structural elements, and 4) Aligning paths to create focal points.
 - o CC-20: Encourage high-quality and attractive design that promotes variety between different developments and different areas in Redmond to maintain and create a sense of place.
 - o CC-22: Foster care for the natural environment and maintain the green character of the City, while allowing for urbanization through techniques such as 1) Encouraging design that minimizes impact on natural systems; 2) Using innovations in public projects that improve natural systems; 3) Preserving key areas of open space; and 4) Requiring the installation and maintenance of street vegetation as defined by the citywide street tree program.

Response: The MPD is consistent with the RZC and all applicable Comprehensive Plan policies, as described in Section V of the Technical Committee Report to City Council (Attachment A). The project is consistent with Policy CC-14 because the applicant proposes to restore wetlands, which will include the removal of invasive plants and replanting of native species. The project is consistent with Policy CC-20 as demonstrated by the City of Redmond Design Review Board recommended approval of the Master Plan and Development Agreement at its June 20, 2019, meeting. Each subsequent phase will go before the Design Review Board for feedback and approval. The project is consistent with Policy CC-22 because impacts on the wetlands, streams and steep slopes located on the subject site will be minimized and functionality will be improved as a result of the proposed development. The proposed project includes wetland buffer mitigation and tree replacement, as well as, voluntary stream and buffer restoration.

- LU-26, Subpoint 2: Future development will be directed away from the environmentally critical areas such as steep slopes and stream on the site. Green development incentives are incorporated into the proposed regulations and will minimize the carbon footprint of new development and ensure efficiency in design.

Response: The subject site contains critical areas that are primarily located on the perimeter of the site. The northern portion of the site contains steep slopes greater than 40 percent. The central portion of the site contains a category IV Wetland, which is proposed to be filled with impacts offset by compensatory mitigation. The southern/southeastern portion of the site contains the majority of the critical areas,

which include: steep slopes greater than 40 percent, ten (10) wetlands, and two (2) streams. The project has been intentionally designed to avoid impacts to any natural habitats to the maximum extent feasible and in compliance with the City's adopted regulations. Any impacts to wetlands or buffers will be fully mitigated as required by Redmond Zoning Code section 21.64.

Additionally, in order for the project to maximize height and FAR pursuant to Table 21.14.080.A, the applicant must demonstrate adherence to specific Green Building techniques that have been adopted for the NWDD.

- HO-2: Promote a mix of new residential units and use other strategies that are designed to at a minimum meet the targets called for in the King County Countywide Planning Policies for creating residences that are affordable to low-and moderate-income households.
- **Response:** The proposed Proctor Willows project is required to provide affordable housing pursuant to RZC 21.20.060. The project will also provide opportunities for homeownership through the development of the proposed townhome units as well as rental opportunities in the proposed mixed-use building.
- HO-11: Encourage the development of a variety of housing types, sizes and densities throughout the City to accommodate the diverse needs of Redmond residents through changes in age, family size and various life changes.
- **Response:** The proposed project will include the construction of 174 townhomes, which would add additional variety in housing options and purchase price-points to the City's for-sale housing supply. The project also includes 195 for lease units in a mixed-use building. This project advances this policy by supporting the diverse needs of Redmond residents by providing variety in housing options.
- HO-38: As a part of any rezone that increases residential capacity, consider requiring a portion of units to be affordable to low-and moderate-income households.
- **Response:** The proposed Proctor Willows project will comply with RZC 21.20.060, which requires the following: Consistent with Comprehensive Plan policy HO-38, new development in the NWDD shall provide 10 percent of new townhome units (for-sale) at 80 percent median income and 10 percent of the apartment units (for-lease) at 70 percent the median income. Based on the number of units projected in the Master Plan, the project will include a total of 37 affordable housing units, including 17 for-sale townhomes and 20 for-lease apartments.

Development Agreement:

With respect to the Development Agreement, the City is receiving the following benefits as a component of project development:

- Construction of a new bike lane and a multimodal pathway;
- Provision of voluntary on-site stream buffer enhancements;
- Construction of a soft surface perimeter trail;
- Design and installation of a gateway element reviewed by the Parks and Trails Commission.

In return, the applicant is requesting the following flexibility:

- Allowance to build up to two townhome buildings per phase as "model homes" prior to the full completion of site development.
- A single comprehensive project-level SEPA completed for all phases of the project.
- A ten-year vesting period.
- Project construction phasing:
 - Phase I will include the majority of infrastructure improvements and open space, all buffer restoration and mitigation, the gateway element and the east townhome cluster.
 - Phase 2 will include the mixed-use building
 - Phase 3 will include the west townhome cluster and remaining associated open space.

Staff presented the Technical Committee Report to the City Council on October 1, 2019. An issue matrix reflecting comments raised by Council to-date has been included with this memo as Attachment B. The City Council will continue its review of the Proctor Willows project during the Study Session scheduled for October 8, 2019.

IV. PREVIOUS DISCUSSIONS HELD

September 24, 2019 - Committee of the Whole – Finance, Administration and Communications.

October 1, 2019 - City Council Staff Report

V. IMPACT

A. Service/Delivery:

All applicable code requirements for development of the Proctor Willows site will be met, and negative impacts on City services or delivery are not expected.

B. Fiscal Note:

The project proposes to mitigate impacts through street improvements/dedications, transportation impact fees, fire impact fees, park impact fees, and school impact fees.

VI. ALTERNATIVES TO STAFF RECOMMENDATION

No Alternatives to staff recommendation at this time.

VII. TIME CONSTRAINTS

The applicant would like to begin groundbreaking at the beginning of June 2020 for both Phase 1 and Phase 2.

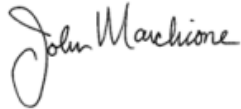
VIII. LIST OF ATTACHMENTS

Attachment A: Technical Committee Report to City Council with Exhibits

Attachment B: Issues Matrix



Erika Vandenbrande, Director of Planning and Community Development



Approved for Agenda

John Marchione, Mayor