

City of Redmond



Agenda Study Session

**Tuesday, February 27, 2024
7:00 PM**

**City Hall: 15670 NE 85th St; Remote: Comcast Ch. 21/321, Ziplly Ch. 34,
Facebook (@CityofRedmond), Redmond.gov/rctvlive, or 510-335-7371**

City Council

*Mayor
Angela Birney*

*Councilmembers
Vanessa Kritzer, President
Jessica Forsythe, Vice President
Jeralee Anderson
Steve Fields
Angie Nuevacamina
Osman Salahuddin
Melissa Stuart*

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Site: <http://www.redmond.gov/CouncilMeetings>**

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AGENDA

ROLL CALL

1. Redmond 2050: Planning Commission Recommendation for Housing and Overlake

Department: Planning and Community Development, 60 minutes

[Attachment A: Council Discussion Topics](#)

[Attachment B: Presentation Slides](#)

Legislative History

2/6/24	City Council	referred to the City Council Study Session
2/13/24	City Council	referred to the City Council Study Session

2. Capital Program 2023 Year End Highlights and 2024 Look Ahead

Department: Public Works, 30 minutes

[Attachment A: Presentation](#)

[Attachment B: Council Handout - Projects List](#)

3. 2023 4th Quarter Financial Review, 2025-2026 Preliminary Forecast and Budget Process Update

Department: Finance, 60 minutes

4. Council Talk Time

ADJOURNMENT

Meeting videos are usually posted by 12 p.m. the day following the meeting at redmond.legistar.com, and can be viewed anytime on Facebook/YouTube (@CityofRedmond) and OnDemand at redmond.gov/OnDemand



Memorandum

Date: 2/27/2024
Meeting of: City Council Study Session

File No. SS 24-005
Type: Study Session

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
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DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Jeff Churchill	Long Range Planning Manager
Planning and Community Development	Kim Dietz	Principal Planner
Planning and Community Development	Becky Frey	Principal Planner
Planning and Community Development	Lauren Alpert	Senior Planner
Planning and Community Development	Ian Lefcourte	Senior Planner
Executive	Jenny Lybeck	Sustainability Program Manager

TITLE:

Redmond 2050: Planning Commission Recommendation for Housing and Overlake

OVERVIEW STATEMENT:

Staff recommends that the City Council prepare to discuss issues related to Overlake, green building, and the Redmond Zoning Code Rewrite identified by Councilmembers at or following the Feb. 6 business meeting. Time permitting, staff will also be prepared to continue discussion related to housing.

On Jan. 24, 2024, the Planning Commission recommended approval of updates to the Housing Element, Housing Technical Appendix, housing-related regulations, Centers Element (for general policies and Overlake policies), and Overlake-related regulations. Staff introduced the Commission's recommendation at the Council's Feb. 6 business meeting.

The Planning Commission reports, exhibits, and appendices for these topics were provided in the Council's Feb. 6 packet beginning on page 51 and are also available at [redmond.gov/DocumentCenter/Index/125](https://www.redmond.gov/DocumentCenter/Index/125) <<https://www.redmond.gov/DocumentCenter/Index/125>>.

The Incentive Program calculator is online at redmond.gov/DocumentCenter/View/31578/ <https://redmond.gov/DocumentCenter/View/31578/2024_Feb---Draft-Overlake-Incentive-Calculator>.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ Receive Information ☒ Provide Direction ☐ Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Policy PI-15 calls for periodic Comprehensive Plan reviews.
- **Required:**
The Growth Management Act requires that Washington cities and counties review and, if needed, revise their comprehensive plans and development regulations every ten years. For King County cities the periodic review must be completed by December 31, 2024.
- **Council Request:**
The City Council requested quarterly reports on project milestones, staff progress, and public involvement.
- **Other Key Facts:**
N/A

OUTCOMES:

Updating the Redmond Comprehensive Plan will ensure that the Plan is consistent with state law and regional policy direction; advances equity and inclusion, sustainability, and resiliency; and that Redmond is prepared for growth expected through the year 2050.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
 - Housing Regulations
 - Q2 2020 - Q1 2021: Housing Action Plan (HAP).
 - Community input and consultant expertise informed direction of regulatory amendments.
 - Methods included focus groups, interviews, and questionnaires.
 - Q3 2022 - Q3 2023: Housing Action Plan Implementation (HAPI).
 - Consultants interviewed developers, financial lenders, and other jurisdictions in support of evaluating inclusionary zoning and multifamily property tax exemption (MFTE) programs.
 - Q4 2022 - Q3 2023: Middle Housing and Racially Disparate Impacts.
 - Consultants collaborated with ARCH to hold small group meetings, focus groups, interviews, and workshops with community-based organizations.
 - Q1 2023 - Q2 2023: affordable housing parking regulations. Numerous group workshops involving developers, non-profit housing providers, ARCH, and Futurewise, on calibration of draft regulations related to allocation of parking stalls to affordable housing units.
 - Overlake Regulations
 - Q4 2020 - Q4 2021: visioning and policy community engagement.
 - 2021: existing conditions and needs identification.
 - Consultant conducted broad community engagement activities.

- Staff conducted multiple events and workshops.
 - Focus groups included small business, BIPOC and disability stakeholder focus groups.
 - 2021-2022: Overlake and Centers policies development and engagement.
 - 2022-2023: Regulations drafted with stakeholder input, including testing phase.
 - Q3 2023 - Q1 2024: public hearings and further refinement.
 - Q1 2024: final testing phase
- Redmond Zoning Code Rewrite Items in Overlake Regulations Package
 - Methods included three phases of outreach to project stakeholders to seek preliminary review and feedback on draft amendments to development regulations. Staff facilitated a combination of direct email, Let's Connect tools, the City's website, and virtual and in-person open house events with office hours:
 - Conceptual amendments to the code;
 - Draft proposed amendments to the code; and
 - Final draft proposed amendments and SEPA determination comment period
 - Three phases of community involvement using direct email and City e-news included:
 - Initial awareness of the project's scope of work;
 - Draft proposed amendments to code; and
 - Final draft proposed amendments, SEPA determination comment period.
 - Plans, Policies, and Regulations, a monthly City e-news, provided frequent information at regular intervals to interested parties and allowed for self-managed participation in the distribution channel.
 - Staff also provided presentations to interest groups and contributed to the City's YouTube channel.
 - The methods above allowed staff to confirm feedback from stakeholders by refining early drafts of work and seeking follow-up review. This progressive method of proactive and frequent outreach ensured that the resulting recommendations met interests and addressed concerns expressed by stakeholders, the community, and staff.
- **Outreach Methods and Results:**

Redmond 2050 outreach methods have included:

 - Redmond 2050 Website
 - Digital City Hall Lobby
 - Let's Connect questionnaires, idea boards, and other tools
 - Press releases and Social media
 - Short videos and posting of recordings of workshops
 - Yard signs and Posters
 - Utility Bill inserts
 - Email newsletters to multiple City lists
 - Emails to partner organizations
 - Hiring of Eastside for All for intensive, focused community engagement
 - Stakeholder input and Focus group meetings
 - Boards & Commissions meetings
 - Hybrid and remote workshops and interviews
 - Tabling at community events
 - Pop-up events in community spaces and workplaces
 - Translation of selected materials
 - Community Advisory Committee input
 - Technical Advisory Committee input

- Planning Commission public hearings
- Mailed property owner notifications

Quarterly engagement summaries are available at [redmond.gov/1495](http://www.redmond.gov/1495) <<http://www.redmond.gov/1495>>.

- **Feedback Summary:**

- Housing Regulations:
 - Topic: Affordable Housing on Religious Lands and Associated Density Bonus.
 - Received positive feedback from for profit-developers, faith organizations, non-profit developers, ARCH, and non-profit advocacy groups. Minor changes were suggested by some stakeholders and were largely integrated by staff.
 - There is an interest of stakeholders and Planning Commission for staff to further explore opportunities to add affordable housing density bonuses to other types of land rather than just religious lands, such as public lands or non-profit lands.
 - Topic: Inclusionary Zoning Changes for Overlake.
 - Consensus that starting a new podium development is financially infeasible in current economic conditions of the greater U.S. economy.
 - Disagreement on impacts of revising inclusionary zoning requirements.
 - One view was that changes would delay future housing development in Overlake and be detrimental to overall affordability.
 - Another view was that the recommended changes to inclusionary zoning were supported by analysis and needed to help facilitate provision of additional affordable housing units.
 - Interest from stakeholders in staff further exploring revisions and opportunities for the 12-year Multifamily Property Tax Exemption program.
 - Note: MFTE is codified in the Redmond Municipal Code, not the zoning code. As such, MFTE amendments do not go to PC for authorization, but often MFTE is discussed at PC because the MFTE program is intertwined with the inclusionary zoning code.
 - Interest in a graceful transition from current requirements to new requirements.
- Overlake Regulations
 - Major changes, so a lot of excitement but also some concern since new regulations can add uncertainty.
 - Simplification of code and zoning is much appreciated.
 - Part 1 items generated few comments.
 - 21.04 General Provisions (includes some housing related updates)
 - 21.05 Special Districts (new)
 - 21.22 Public Art (new)
 - 21.28 High-Capacity Transit Corridor Preservation (repeal)
 - 21.45 Solid Waste (new)
 - 21.50 Transition Overlay Areas
 - 21.76.070.P, Land Use Actions and Decision Criteria (Master Planned Developments)
 - 21.78 Definitions (includes housing and RZCRW definitions)
 - Development Regulations and Design Standards (21.12, 21.58, 21.60, 21.62)
 - Major changes, so much discussion and revisions based on testing phases and specific stakeholder feedback.
 - Discussion around Master Planning / phasing requirement updates - to ensure area is not underdeveloped. Sets threshold for requiring phasing and plan that shows how

- more can be added in future if application shows proposal that is less than what we see as typical development in Overlake today. Added incremental development provisions to address concerns about flexibility while still ensuring that we can meet growth targets.
- Significant discussion on first floor building heights. Testing phase and stakeholder feedback resulted in a lower proposed ceiling height and extensive flexibility through footnotes in table 21.12.500.
 - Extensive feedback on incentive program resulted in some adjustments to categories, specific incentive items, points and bonuses earned. This included working with OneRedmond on the small business and anti-displacement items and the Northwest Universal Design Council for the inclusive design category.
 - Stakeholder interviews with developers currently developing towers and/or mass timber developments resulted in changes to the design guidelines to ensure the regulations work well with building materials and building codes and support mass timber construction needs.
 - Added section on transitions to new standards to address developer concerns for projects currently in the review cycle and for property owners who want to make some updates but cannot afford a major redevelopment in the current market conditions. Allows projects in the review cycle to choose if they want to stay under current regulations (with an expiration date and other criteria) or move to new standards. Adds flexibility for incremental redevelopment.
- Green Building program updates. Feedback was given on various aspects of the green building program, including feedback on estimated costs, priorities, and specific programmatic requirements.
 - Keep it voluntary.
 - Maintain flexibility in options and scale of impacts (matching the points-based menu of options to Overlake incentives structure): the more you do, more points you earn towards a bonus.
 - Focus on outcomes and not specific ways to achieve them.
 - Easy to understand, work on implementing new structure and new focus areas and then expand over time.
 - Add water conservation, embodied carbon goals/incentives.
 - Be mindful of impacts of 2021 Energy Code Update.
 - Align with state and regional goals.

BUDGET IMPACT:

Total Cost:

\$4,616,401 is the total value of the Community and Economic Development budget offer. This budget offer includes staff and consultant resources necessary to complete Redmond 2050.

Approved in current biennial budget: ☒ **Yes** ☐ **No** ☐ **N/A**

Budget Offer Number:

0000040

Budget Priority:

Vibrant and Connected

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:

N/A

Funding source(s):

General Fund, Washington State Department of Commerce grants

Budget/Funding Constraints:

Two Commerce grants supported updates to the Housing Element

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
10/6/2020	Business Meeting	Approve
11/17/2020	Business Meeting	Receive Information
3/16/2021	Business Meeting	Receive Information
3/23/2021	Study Session	Provide Direction
6/15/2021	Business Meeting	Receive Information
6/22/2021	Study Session	Provide Direction
9/21/2021	Business Meeting	Receive Information
9/28/2021	Study Session	Provide Direction
11/16/2021	Business Meeting	Receive Information
11/23/2021	Study Session	Provide Direction
2/15/2022	Business Meeting	Receive Information
5/3/2022	Business Meeting	Receive Information
5/10/2022	Study Session	Provide Direction
6/7/2022	Committee of the Whole - Planning and Public Works	Receive Information
7/19/2022	Business Meeting	Receive Information
7/26/2022	Study Session	Provide Direction
8/9/2022	Study Session	Provide Direction
10/4/2022	Business Meeting	Receive Information
10/11/2022	Study Session	Provide Direction
1/17/2023	Business Meeting	Receive Information
1/24/2023	Study Session	Provide Direction
3/7/2023	Business Meeting	Receive Information

3/14/2023	Study Session	Provide Direction
7/18/2023	Business Meeting	Receive Information
9/5/2023	Business Meeting	Receive Information
9/12/2023	Study Session	Provide Direction
9/26/2023	Study Session	Provide Direction
10/3/2023	Business Meeting	Receive Information
10/10/2023	Study Session	Provide Direction
11/28/2023	Study Session	Provide Direction
1/9/2024	Study Session	Provide Direction
1/23/2024	Study Session	Provide Direction
2/6/2024	Business Meeting	Receive Information
2/13/2024	Study Session	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
3/5/2024	Business Meeting	Receive Information
3/12/2024	Study Session	Provide Direction

Time Constraints:

The Comprehensive Plan periodic update must be complete by Dec. 31, 2024.

ANTICIPATED RESULT IF NOT APPROVED:

Staff is not requesting action at this time.

ATTACHMENTS:

Attachment A: Council Discussion Topics (updated for 2/27)

Attachment B: Presentation Slides

TOPICS

Housing	1
Overlake and Centers.....	9
Green Building	20
Code Rewrite	21
Other.....	22

Topic	Discussion Notes
Housing	
1. IZ: step-down provisions (Salahuddin); AMI choices (Forsythe); changes generally (Stuart)	<p><u>Council Discussion</u></p> <ul style="list-style-type: none"> • Would like to know more about the Overlake IZ phasing from 80% area median income (AMI) to greater levels of affordability, why that is recommended, and how that would work. • Would like to understand the final recommendation of AMI %. <p><u>Staff Response</u></p> <p>Step-down provisions: The Planning Commission recommends including step-down provisions as a way of gradually increasing levels of affordability and not surprising the development community. There is precedent for phasing-in affordable housing regulations: the City used phasing both in Downtown and Overlake when inclusionary requirements were adopted.</p> <p>The Commission also considered a phased approach that would be time-based instead of unit-based. The Commission opted for a unit-based approach because a time-based approach would require the City to time the development market.</p> <p>Separately, the Commission is recommending allowing developments in the pipeline to continue using today's regulations as part of amendments to RZC 21.12, Overlake Regulations. The effect of this is that the phase-in for affordable housing will begin with developments that are not yet in the pipeline.</p>

Step-down (or catalyst) incentives are not always included in new incentive or inclusionary programs. When they are, the purpose is to encourage “early adopters” of new zoning.

AMI Choices:

The updated Housing Element, as recommended by the Planning Commission, directs the City to adopt strategies to meet affordable housing needs (see especially policy HO-6). The majority of Redmond’s estimated affordable housing need is for households earning up to 50% AMI. Inclusionary zoning is one tool that can help meet this need. The Planning Commission recommends using inclusionary zoning to target households earning up to 50% AMI because that is where the greatest need exists that inclusionary zoning can help meet.

The Housing Element and Housing Element Technical Appendix contain the following data related to the King County Countywide Planning Policies. The following table shows:

- Redmond’s housing stock as of 2019.
- Estimated affordable housing need through 2044.
- Estimated affordable housing need extrapolated to 2050.

Table TA-2: Housing Now and Estimated Housing Needed by Area Median Income Bracket

		≤30%AMI		AMI	AMI	AMI	AMI	AMI
	Total-Units	Non-PSH	PSH	>30-- ≤50%	>50-- ≤80%	>80-- ≤100%	>100-- ≤120%	>120%
Baseline Housing Supply: 2019	31,739	753	58	1,404	2,184	9,270	4,839	13,231
KC-CPP Net-New Housing Needed: 2019-2044	20,000	7,025	3,694	3,870	2,765	348	394	1,904
KC-CPP Total-Future Housing Needed: 2044	51,739	7,778	3,752	5,274	4,949	9,618	5,233	15,135
Extrapolated KC-CPP Net-New Housing Needed: 2019-2050	24,800	8,711	4,581	4,799	3,429	432	489	2,361
Extrapolated KC-CPP Total-Future Housing Needed: 2050	56,539	9,464	4,639	6,203	5,613	9,702	5,328	15,592

IZ Changes, generally:

Inclusionary Zoning in Overlake today:

- Mandatory
- Same requirements for ownership units and rental units
- 10% of units at 80% AMI
- Alternative compliance available

	<p>Inclusionary Zoning, Overlake specific changes:</p> <ul style="list-style-type: none"> • Mandatory • Different requirements for ownership units and rental units • Ownership units <ul style="list-style-type: none"> ◦ 12.5% of units at 80% AMI • Rental units <ul style="list-style-type: none"> ◦ 12.5% of units at 50% AMI ◦ Step-down implementation from 80% to 50% AMI • Alternative compliance available
<p>2. Inclusionary zoning – financial model and engagement process (Kritzer)</p>	<p><u>Council Discussion</u></p> <p><u>Staff Response</u></p> <p>Action 1.3 of the City of Redmond’s Housing Action Plan (adopted 2021) directs city efforts to review IZ and MFTE, in concert with zoning changes, to consider options that create deeper affordability and/or more affordable units. The comprehensive plan periodic update, which occurred simultaneously with this analysis, includes zoning changes.</p> <p>The cumulative analysis used to inform these Overlake Mandatory Inclusionary Zoning amendments represents a multiyear effort which involved numerous stakeholders and synthesized numerous distinct analyses. The work for this analysis was conducted by City staff, City consultants, and ARCH. The work was reviewed by for profit developers, nonprofit developers, and interested non-profit organizations. For profit developers especially demonstrated a high interest in participation and have been involved consistently throughout the process.</p> <p>Multiple major sources contributed to this effort:</p> <ul style="list-style-type: none"> • City of Redmond – Overlake Incentives Analysis – Consultants (ECONW) • City of Redmond – Housing Action Plan Implementation (HAPI) – Consultants (CAI) • ARCH – Affordable Housing Analysis (for member jurisdictions, not just Redmond) – Consultants (BAE) <p>Each of these three developments, with distinct consultants, conducted engagement with developers. In addition, the developments all made use of a variety of data to make projections of the ways in which current conditions and housing policies are likely to shape housing production in the future. The market analysis draws on a variety of data sources, including but not limited to the City of Redmond, CoStar, Zillow, Building Journal, CBRE, NCREIF, American Housing</p>

	<p>Survey, comparative jurisdictions, and HUD. Importantly, the different consultants had very similar inputs/outputs for the financial feasibility modeling performed.</p> <p>Analysis Measurements:</p> <p>Analysis of Inclusionary Zoning (IZ) and Multifamily Property Tax Exemption Program (MFTE) impacts uses multiple metrics to gauge financial returns. The two most relevant are Internal Rate of Return (IRR) for ownership developments and Yield On Cost (YoC) for rental developments.</p> <p>The <u>internal rate of return (IRR)</u> is the annual rate of growth that an investment is expected to generate over a certain amount of time. The IRR can be thought of an “average” annual rate of return on the investment costs to develop a development. IRR is presented as a percentage. IRR considers the time-value of money.</p> <ul style="list-style-type: none"> • Ownership Units: IRR is calculated over a 33-month period, representing the start of site acquisition through the end of selling the final home. • Rental Units: IRR is calculated over a 15-year holding period, representing the start of site acquisition, through operation of the development for some years, then selling the development. (Note that Yield on Cost is the primary metric to analyze rental developments.) <p>The <u>yield on cost (YoC)</u> represents the first stabilized year of operation returns divided by the total cost of developing the development. In other words, YoC represents the net operating income divided by the cost of investment. The net operating income (NOI) represents income after operating expenses are deducted, but before deducting interest and taxes. YoC is a common metric used by developers and helps provide the order of magnitude changes generated by each set of scenarios in the analysis. YoC represents how much money, once the development has stabilized, is returned as a percentage of the total investment costs.</p> <p>The <u>benefit ratio</u> represents the economic value added to developers divided by the additional costs to developers, from proposed changes to affordable housing regulations. The benefit ratio is a comparison of status quo to proposed changes. A ratio of over 1.0 indicates that the proposed changes offer more benefits than costs to developers. The ARCH analysis estimates the value of the added development capacity and compares that to the cost of different affordable housing parameter scenarios.</p>
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Project flow for IZ/MFTE Review:

For Redmond's IZ and MFTE review process, HAPI consultant work began in earnest in June of 2022 and continued through the summer of 2023. The scope of work included comparative analysis of affordable housing efforts in other jurisdictions, developer stakeholder interviews, and the creation of a financial model. The financial model allows the user to test different IZ and MFTE affordable housing requirements and determine an estimated impact to the financial returns of a development. The initial consultant analysis was substantively completed in June 2023. At this time, stakeholders identified that some areas of the financial model (and thus the analysis conclusions) warranted further review. This review occurred from June 2023 through September 2023. Staff then produced a final HAPI cumulative analysis which reflected the entirety of work done to review IZ and MFTE up to that date.

Redmond staff collaborated with ARCH to synthesize and explore the work of all three consultants. In addition, Redmond staff and ARCH pulled development information for actual case study developments which were recently built in Overlake. These case study developments were analyzed before/after the proposed Overlake amendments. The conclusions of this work were presented to Planning Commission in December 2023.

Staff provided three options for Planning Commission consideration, as shown below.

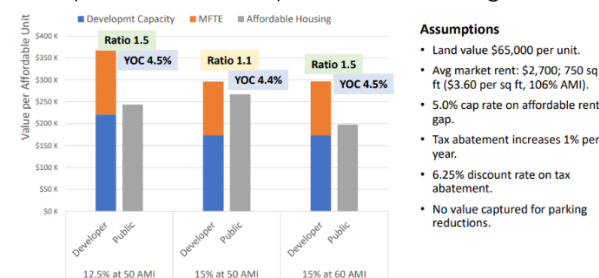


Table RZC 21.20.060.D.1.d	
Number of Total Market Rate Housing Units in Overlake center	Renter-Occupied: Minimum Percent of Affordable Housing Units and AMI Level Requirements
First 200 150 market rate units	12.5% of units at 80% AMI
Second 150 market rate units	12.5% of units at 70% AMI
Third 200 150 market rate units	12.5% of units at 60% AMI
All subsequent units	Base requirements in RZC 21.20 .060.D.1.a

Further development stakeholder input and Planning Commission discussion resulted in the addition of step-down provisions as discussed in issue 1.

3. Multifamily property tax exemption (MFTE) provisions (Stuart)

Council Discussion

Would like to know more about the MFTE program updates proposed and impacts of those changes.

Staff Response

MFTE is a state-authorized property tax exemption program that Redmond uses to incentivize developers to make required moderate-income units affordable to low-income families. The 8-year MFTE program for Redmond has been

	<p>popular with developers: most qualifying developments since MFTE's adoption in June 2017 have chosen to participate in the program. The general design of MFTE is that developers provide deeper levels of affordability in return for time-limited property tax exemptions.</p> <ul style="list-style-type: none"> MFTE is not governed by the Redmond Zoning Code. MFTE is governed by the Redmond Municipal Code <ul style="list-style-type: none"> As such, MFTE amendments are not reviewed by the Planning Commission. Staff included MFTE in discussion with the Commission due to the relationship between MFTE and inclusionary zoning. <table border="1" data-bbox="485 516 1938 748"> <thead> <tr> <th data-bbox="485 516 1024 560">MFTE Now</th><th data-bbox="1024 516 1938 560">MFTE Proposed</th></tr> </thead> <tbody> <tr> <td data-bbox="485 560 1024 748"> <ul style="list-style-type: none"> Voluntary Applicable in Marymoor, Downtown, Overlake 8-year program achieves 50-60% AMI, depending on location </td><td data-bbox="1024 560 1938 748"> <ul style="list-style-type: none"> Voluntary Staff evaluating expanding geographic applicability 8-year program designed to be 1:1 match with IZ requirements (i.e., improves financial feasibility of IZ compliance) Staff evaluating changes to 12-year program to improve affordable housing outcomes </td></tr> </tbody> </table>	MFTE Now	MFTE Proposed	<ul style="list-style-type: none"> Voluntary Applicable in Marymoor, Downtown, Overlake 8-year program achieves 50-60% AMI, depending on location 	<ul style="list-style-type: none"> Voluntary Staff evaluating expanding geographic applicability 8-year program designed to be 1:1 match with IZ requirements (i.e., improves financial feasibility of IZ compliance) Staff evaluating changes to 12-year program to improve affordable housing outcomes
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<p>4. Fee-in-lieu (Stuart)</p>	<p><u>Council Discussion</u> Interest in FIL, generally. What is FIL? What is the current code? What is proposed code?</p> <p><u>Staff Response</u> Fee-in-lieu may, at the Code Administrator's discretion, be used to fulfill inclusionary zoning requirements. Only 3 of the last ~100 developments have used fee-in-lieu. Much of these funds went into the Together Center development.</p> <p>Current alternative compliance methods are located in RZC 21.20.050.</p> <ul style="list-style-type: none"> 21.20.050.A.: Establishes City priority for locating affordable units into market-rate buildings rather than fee-in-lieu alternative compliance. 21.20.050.B <ul style="list-style-type: none"> Fee-in-lieu must achieve a result equal to or better than providing affordable housing on-site. Fee-in-lieu must comply based on providing the same type and tenure of units as the market rate development. 21.20.050.B.1 <ul style="list-style-type: none"> Fee-in-lieu must achieve a result equal to or better than providing affordable housing on-site. Fee-in-lieu prefers locating off-site affordable units in the same neighborhood planning area as the market-rate site. 21.20.050.B.2. <ul style="list-style-type: none"> Fee-in-lieu money can only be used for the subsequent provision of affordable housing units. Payment calculation: 				

	<ul style="list-style-type: none"> ▪ Includes land costs, development fees. ▪ Payment obligation is established at time of issuance of building permits or preliminary plat approval. <ul style="list-style-type: none"> • 21.20.050.C.2: Intent that alternative compliance affordable units be provided/completed before or at the same time as the on-site market rate housing. <p>The Planning Commission recommends further specifying when fee-in-lieu is appropriate. The proposed amendments to FIL:</p> <ul style="list-style-type: none"> • Further strengthen the City's position that on-site affordable housing is preferred over FIL. • State that FIL requests may only be approved if there is an imminent and viable affordable housing development available to receive the cash payments. • Requires FIL payments to provide better affordable housing outcomes than the baseline on-site affordable housing requirements. <ul style="list-style-type: none"> ○ FIL payments will be valued at the estimated financial cost of providing affordable housing units on-site. The administrator has the authority to consider and require any reasonable method to calculate that amount. ○ The FIL payment must exceed the estimated financial cost of providing affordable housing units on-site by 10%. • Factors to consider when evaluating the "better" affordable housing outcomes include: <ul style="list-style-type: none"> ○ Length of time it takes to produce the affordable units. ○ Location of affordable units and nearby amenities. ○ Quantity of affordable units. ○ Affordability levels (AMI) of affordable units. ○ Satisfying other community needs. ○ Duration of affordability for the units. ○ Equity considerations such as racially disparate housing impacts. ○ Other criteria as determined by the Administrator.
<p>4b. Further discussion on fee-in-lieu and the social value of integrated affordable housing units. (Mayor Birney; CMs Nuevacamina, Stuart)</p> <p>(Topic Posed at 02/13 Meeting)</p>	<p><u>Council Discussion</u></p> <p>Further interest in fee-in-lieu (FIL). City's history of FIL in practice and is FIL getting the most value it can? What is the social value of integrated affordable housing units?</p> <p><u>Staff Response</u></p> <p>RZC 21.20, for some developments, contains affordable housing requirements of on-site affordable units. The City provides other options for developments to fulfill this obligation, through alternative compliance. Fee-in-lieu is one of three alternative compliance options provided for in the code.</p> <p>The City has historically preferred a limited role for FIL. The time value of money means that FIL can lose purchasing power and thus have a diminished impact on affordable housing outcomes. The payment obligation of FIL is established at the time of issuance of a building permit or preliminary plat, but actual affordable unit construction from FIL can lag by</p>

	<p>months or years. The City needs to receive the funds, find a potential affordable housing development (and the associated land), coordinate with the organization in lead of the affordable housing development, and deploy the funds. One of the greatest benefits of mandatory inclusionary zoning is that there is no search for land. The affordable units are integrated into the market rate developments which have already purchased land.</p> <p>The Planning Commission investigated other FIL arrangements. For example, the City of Seattle fee-in-lieu is calibrated such that payment of the fee-in-lieu is less than the monetary value of the difference in rents of onsite affordable units and market rate units. As such, it is a popular option among those developing in Seattle. Between 2019 and 2022, the City of Seattle received \$246.1 million in FIL payments through its Mandatory Housing Affordability (MHA) program while over the same period issuing building permits for 176 affordable homes through MHA. Seattle reports that it invests most MHA proceeds in the year they are received, which would typically result in occupiable affordable homes a few years later. A significant difference in the affordable housing funding environment between Seattle and Redmond is that in Seattle, FIL proceeds can be leveraged with Seattle Housing Levy funds. This additional source of funds gives Seattle more ways to create viable affordable housing developments from FIL proceeds.</p> <p>The social value of integrating affordable housing into market-rate housing includes:</p> <ul style="list-style-type: none"> • Geographic equity and integration of different AMI households across the city. • Social equity that comes from different households interacting and the proximity to amenities, transit, parks, employment, and other factors of a high quality of life. • Affordable units being integrated into market-rate developments near employment and amenities helps reduce independent vehicle miles traveled which benefits the environment and which means household members get to invest more time with their families and loved ones. • Another issue pointed out from community involvement during creation of the Housing Action Plan, and reinforced during creation of the Human Services Strategic Plan, is that some people feel stigmas about their housing that are real, pervasive, and dehumanizing. Integrating these households can help build a stronger sense of community and hopefully ameliorate those stigmas.
	<p><u>Council Discussion</u> Please explain this change.</p> <p><u>Staff Response</u> These regulatory amendments implement state legislation (SHB 1377) adopted in 2019. The legislation authorizes cities to allow additional density for affordable housing developed on property owned or controlled by faith/religious organizations. The affordable housing must be dedicated to households with incomes under 80 percent of area median income (AMI), for at least 50 years.</p> <p>Recommended amendments to implement this legislation include:</p>

	<ul style="list-style-type: none"> • Adding affordable housing as a permitted use on land owned/controlled by faith organizations to the RZC 21.04.030 comprehensive allowed uses chart. • Adding “affordable housing” as an accessory use to the faith-based definitions. • Adding a density bonus in development capacity for affordable housing on land owned/controlled by faith organizations.
6. Changes to neighborhood policies – engagement process (Kritzer)	<p><u>Council Discussion</u> Would like to know more specifics about the referenced updates to policies in the Neighborhoods Element and how those were determined and will be implemented.</p> <p><u>Staff Response</u> Neighborhood plan updates were generally excluded from Redmond 2050. The exception was a review of Neighborhood Element policies for clear conflicts with citywide policy updates as part of the City’s obligation to adopt an internally consistent comprehensive plan. These policies generally represent policies that are:</p> <ul style="list-style-type: none"> • Incompatible with regional/state requirements (middle housing, e.g.), or • Inconsistent with updated policies in other elements, or • Redundant/duplicative/obsolete. <p>Staff engaged with community members using all of the methods identified in Redmond 2050 agenda memos and summarized in quarterly engagement summaries, available at redmond.gov/1495. Staff did not design engagement specific to the limited changes to Neighborhood Element policies. Neighborhood-specific engagement for neighborhood plan updates is planned for after Redmond 2050 is complete.</p>
Overlake and Centers	
7. Centers character and design – see policy CTR-6 (Stuart) <i>Staff response updated for 2/27 study session</i>	<p><u>Council Discussion</u> Would like to have a discussion on character and design policies and look at the big picture and goals.</p> <p><u>Staff Response</u> Staff will be prepared for questions and discussion related to character and design at the study session on February 27. The policy guide for this chapter might be helpful to understand the changes proposed: redmond.gov/DocumentCenter/View/31167/2024_01-24---Memo-Att-A---Centers-Policy-Guide-PDF</p> <p>This Planning Commission recommendation only includes policies under the General Centers and Overlake headers, but there is a design section later in the chapter reviewed with the Community Development and Design Chapter. The focus of the character and design policies is on placemaking and implementing the themes of equity and inclusion, sustainability, and resiliency. Many policies that related to character that had exclusionary outcomes were removed in this update.</p>

	<p>Related resources:</p> <table><tr><th>Background/Engagement</th><th>Policy Considerations</th><th>Policy Drafts</th></tr><tr><td><p>Introduction to Community Design (January 11, 2023 briefing)</p><ul style="list-style-type: none">• Memo• Presentation<p>Visioning/Community Comments</p><ul style="list-style-type: none">• Design Elements (April 2021) Summary• Equity in Our Built Environment Summary (Fall 2021)</td><td><p>Community Character/ Design Policy Considerations (August 10, 2022 Study Session)</p><ul style="list-style-type: none">• Memo• Presentation• Existing Conditions Report<p>Land Use Policy Considerations (October 12, 2022 Study Session)</p><ul style="list-style-type: none">• Memo• Presentation• Existing Conditions Report<p>Centers Policy Considerations (April 13, 2022 Study Session)</p><ul style="list-style-type: none">• Memo</td><td><p>First Draft Policies (September 17, 2023 Study Session)</p><ul style="list-style-type: none">• Memo• Community Design Policies – First Draft (v 1.0)• Presentation<p>Second Draft of Community Development and Design Element (January 24, 2024)</p><ul style="list-style-type: none">• Memo• Draft 2• Presentation</td></tr></table> <p>Community engagement that helped to develop this chapter has occurred over the last few years, but focused engagement on inclusive and welcoming spaces and places has occurred over this fall and winter, through Saturday, February 17. Staff is developing a report summarizing this engagement, which included events at the schools, with staff, several community dinners and lunches, and our postcard engagement. Staff will discuss this topic in depth at a future study session focused on the new Community Development and Design Element.</p>	Background/Engagement	Policy Considerations	Policy Drafts	<p>Introduction to Community Design (January 11, 2023 briefing)</p> <ul style="list-style-type: none">• Memo• Presentation <p>Visioning/Community Comments</p> <ul style="list-style-type: none">• Design Elements (April 2021) Summary• Equity in Our Built Environment Summary (Fall 2021)	<p>Community Character/ Design Policy Considerations (August 10, 2022 Study Session)</p> <ul style="list-style-type: none">• Memo• Presentation• Existing Conditions Report <p>Land Use Policy Considerations (October 12, 2022 Study Session)</p> <ul style="list-style-type: none">• Memo• Presentation• Existing Conditions Report <p>Centers Policy Considerations (April 13, 2022 Study Session)</p> <ul style="list-style-type: none">• Memo	<p>First Draft Policies (September 17, 2023 Study Session)</p> <ul style="list-style-type: none">• Memo• Community Design Policies – First Draft (v 1.0)• Presentation <p>Second Draft of Community Development and Design Element (January 24, 2024)</p> <ul style="list-style-type: none">• Memo• Draft 2• Presentation
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<p>8. Overlake relationship of buildings to street (Stuart)</p> <p><i>Staff response updated for 2/27 study session</i></p>	<p><u>Council Discussion</u> Would like to discuss the relationship of buildings to street (public realm standards).</p> <p><u>Staff Response</u></p> <p>Public Realm Policies Policies that related to the public realm, which cover how the building relates to the sidewalk and the design and use of the space between the front of the building and the back of the curb, can be found in several places. The most relevant for this packet and study session discussion are:</p>						

	<p>FW-CTR-2 Design Metro Growth Centers, Urban Growth Centers, and Countywide Growth Centers to encourage accessible and active mobility for people of all ages and abilities.</p> <p>CTR-10 Design streetscapes to be safe and comfortable for pedestrians, to feature connected bicycle networks for cyclists of all ages and abilities, to be attractive, and to meet the needs of residents with physical and intellectual disabilities.</p> <p>OV-18 Develop and periodically update urban street cross sections for arterial and key local streets in the Overlake Metro Center to guide public investments and private development. Address competing needs for the uses within the right-of-way including bikes, trees, development, utilities, universal design elements, safety, access, transit, and maintenance.</p> <p>Also, there are several public realm policies in the Community Development and Design Element, which will be discussed at a future study session. They are found in the Community Design section, under the following framework policy:</p> <p>FW-CD-3 Public realm and public facility standards encourage active and welcoming community spaces that provide multiple formal and informal opportunities for community gathering spaces.</p> <p>The public realm policies cover:</p> <ul style="list-style-type: none"> • public and publicly accessible private gathering places, • universal design of opens space and plazas, • high-quality, sustainable materials, • connections between spaces, including pedestrian and walkways and bikeways, wayfinding, and more, and • city and neighborhood entryways. <p>Other policies can be found in the Transportation Element. <i>All of these policies are applicable to Overlake but are found in the most relevant section based on applicability.</i></p>
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Code Updates

The existing code has multiple ways to address streets, streetscapes, build-to lines, and setback lines. In some cases, there are several sections of code that need to be referenced to determine if there is a different standard that applies to a specific property. For example, in the OBAT zone, there are three sections of code that need to be reviewed to determine setbacks.

To simplify the code and take advantage of the consolidations underway, as well as improve transparency to the community, a new street-based system forms the basis for many dimensional requirements. This proposal:

- Updates and adopts the Overlake Village South Infrastructure Plan
- Consolidates information into one map and table for ease of use and clarity; and
- Refocuses areas around the light rail stations to be pedestrian and bicycle-oriented design.



Table 21.12.510.B – Overlake Village Building and Street Relationships

		Street Type					
		Retail (A)	Neighborhood (B)	Access (C)	Shared (D)	NE 24 th St. (E)	Other (F)
Building Placement	Minimum setback (side, rear)	0 feet	0 feet	0 feet	0 feet	0 feet	0 feet
	Front and side facade zone	0-10 feet	0-10 feet	0-15 feet	0-10 feet	0-15 feet	0-15 feet
	Minimum building edge in facade zone	80%	50%	50%	80%	50%	50%
Building Design	Building orientation	Building fronts shall be oriented, in priority order, to: Retail Street, Neighborhood Street, NE 24 th St., Other Street, Access Street, or Shared Street.					
	Ground floor finish level above sidewalk grade	Maximum 6 inches	Residential use: 2 to 5 feet Non-residential use: maximum 6 inches	Residential use: 2 to 5 feet Non-residential use: maximum 5 inches	Non-residential use: maximum 6 inches	Residential use: 2 to 5 feet Non-residential use: maximum 6 inches	Residential use: 2 to 5 feet Non-residential use: maximum 6 inches
	Maximum distance between ground floor non-residential entries	50 feet	50 feet	no standard	50 feet	no standard	no standard
	Minimum ground floor non-residential depth	20 feet		no standard			
	Residential privacy standards		RZC 21.62.020.F.1 applies				
Building Use	Ground floor pedestrian-oriented uses	Required		no standard			
	Ground floor residential uses	Prohibited	no standard	no standard	Prohibited	no standard	no standard
Public Realm	Width from zero-setback building edge to back of curb	26 feet, see RZC Appendix 7	15-25 feet, see RZC Appendix 7	14 feet, see RZC Appendix 7	20 feet, see RZC Appendix 7	21.5 feet, see RZC Appendix 7	12-18 feet, see RZC Appendix 7

The format of the code has been revised to be based on a map and a table. Public realm standards (building to curb) have been matched to activity anticipated on each street.

Additional updates were made to streets, public realm, and streetscape standards as well as parking requirements. In future efforts, standards will be updated to include inclusive/universal design features.

NOTE: Planning and Transportation Planning staff are working together on additional street related updates for Downtown and Marymoor and are looking at ways to potentially modify how the street classification system and the pedestrian/public realm standards can be updated and streamlined to be made more consistent when practical (currently different systems in place for each center).

9. Overlake incentive program (Stuart), including points chart (Forsythe)

Council Discussion

Would like to spend time reviewing the incentive package and understanding the points system.

Staff Response

	<p>The Overlake Incentive Program proposal is a new system, based on a menu of options that the applicant can choose from: more points = more incentives. The program is described below, but the Council might find the draft calculator helpful to see how it will be used: redmond.gov/DocumentCenter/View/31578/2024_Feb---Draft-Overlake-Incentive-Calculator.</p> <p>For the past two years staff have been working with stakeholders, boards and commissions, and City leadership to develop the types of incentives and priorities for Overlake. Early this year, a consultant was hired to conduct an analysis based on costs, market feasibility, and other factors. Staff utilized information provided by the consultant and additional information from industry professionals after review of those findings, to finalize a draft proposal.</p> <ul style="list-style-type: none"> • There are five main categories, and applicants must choose at least one item from each category. • Based on community input, the family/child-friendly bonus is within the catalyst category. • There is a custom category to allow for new ideas. <p>City priorities points were assigned based on outcomes from community engagement over the past two years. The draft code will indicate the intent to review options and points from time to time to remain current.</p> <p>Stakeholder feedback: Staff conducted workshops and interviews to review the draft consultant memo and assumptions and received several comments that were helpful to refine the proposal. Developer comments included both a comment that we were underestimating costs from one to several mentioning that the costs were generally in line with what they were seeing in the field at first glance.</p> <p>Staff conducted one-on-one engagement with high-rise and mass timber developers and universal design professionals. The State also provided several comments that helped finalized the proposal for housing for individuals with intellectual or developmental disabilities (IDD housing):</p> <ul style="list-style-type: none"> ○ IDD housing should be 6% to a max of 20% of total dwelling units. The state has integrated housing rules they follow for IDD housing that maximizes at 20%. ○ IDD housing must be registered through and approved by the state - tenancy is managed through their program. ○ IDD units can be either universally designed or ADA accessible units, but must have: <ul style="list-style-type: none"> ▪ at least one accessible/roll in shower in the unit ▪ wide doorway, ▪ reinforcement in the wall/floor/window, add more grabbing bar, etc. <p>Changes from early proposals:</p> <ul style="list-style-type: none"> • Confirmed compatibility with affordable housing consultant work and assumptions.
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	<ul style="list-style-type: none"> • Added and removed a few ideas, added clarity and additional details for others. • Open space and amenities category reorganized to match format of other categories to simplify points calculations. • Pulled-in cost information where available (consultant hired to evaluate costs) <ul style="list-style-type: none"> • used assumptions and similarities where not available, or • left blank and used only City priorities. • Added City priority points. • Easier and less expensive to get to full FAR bonus; time-limited bonus to facilitate market transition. <ul style="list-style-type: none"> • Selected less costly options in each category to determine points, resulting in total cost for 100 points being reduced by half. • Moved some items to “catalyst” category and clarified that this category can be used independently or with main categories for additional flexibility for user who only need a few points to make a project pencil. • Added option for Council approval of other/new ideas. • Max defined as over 200 points, with no FAR maximum and the max building height to 300 feet. • Added child-friendly bonus. <p>Three major things to note:</p> <ul style="list-style-type: none"> • The code is written with an <u>initial</u> incentive where 200 points earns 4.0 FAR. This is a time-limited provision to catalyze mass timber and high-rise development. The intent is that, over time, the package would be adjusted to 100 points = 1.0 FAR bonus. This incentivizes early adopters. • Two major thresholds for the TOD Focus Areas: <ul style="list-style-type: none"> ○ At 100 points, can combine with transfer of development rights (TDR) program. ○ Over 200 points, removes FAR and lifts height to 300 feet. • An option for a customize package for new ideas was added with some process requirements and limitations. <ul style="list-style-type: none"> ○ Major Project / Pilot Project with significant public benefit ○ Approved through Council via a development agreement. ○ Points must match or exceed public benefit of incentive program and not exceed FAR calculations per point. (No customized points system or FAR variables.) ○ City may hire a consultant to evaluate the proposal at cost of the developer
10. Intercultural district (Salahuddin, Kritzer)	<p><u>Council Discussion</u> Would like to discuss what the vision is for this district and the future process for that to occur.</p> <p><u>Staff Response</u></p>

Through community engagement done for Redmond 2050, Redmond community members have expressed a need for better representation of diverse communities in Redmond; preservation of Black, Indigenous, and People of Color (BIPOC) businesses; additional opportunities for new BIPOC business starts, with specific interest in small food-based businesses for immigrants; a place for art and cultural venues and representation; and concern about business displacement in Overlake Village.

Redmond community members have expressed a desire for places in the city to better support different cultures and communities.

- At Redmond Youth Partnership Advisory Committee (RYPAC) meetings, participants expressed that often communities of color feel invisible in Redmond, and that they would like to see them better represented, including better access to culturally relevant stores.
- At the Holi festival and Asian and Pacific Islander festival in 2022, attendees ranked “Cultural Spaces and Events” in the top five of priorities for the City, and at the Cinco de Mayo festival it ranked first.
- BIPOC & Small Business focus groups and interviewees stated that one of the unique characteristics of the Overlake neighborhood is the variety of cuisines from all over the globe. Across the region, in neighborhoods like Bellevue’s Crossroads and Seattle’s Rainier Valley, local governments have partnered with neighborhoods to develop and sustain international character and make these places destinations for visitors from outside the area. Redmond community members mentioned amenities like the Uwajimaya food court and the Global Food Hall in Tukwila.
- Community members also expressed that for Redmond’s different cultural and language communities, people with disabilities, and young people, it is important to sustain a culture that is welcoming and supportive of all people. Redmond residents want to be able to walk in their neighborhoods or visit communal spaces and feel safe, welcome, and supported. Some feel this may be a challenge as Redmond grows.



Intercultural District Intent and Policies

The Intercultural District seeks to honor and celebrate the rich cultural diversity in the area as a key component of the placemaking strategies for the Overlake Village area. Staff researched what other communities are doing with similar areas/goals. The most common approaches include:

- **Neighborhood Plan** to revitalize neighborhood and protect mixed-use development (*Philadelphia, Dallas*)
- **Coded design and use restrictions** into Zoning Code to protect Chinatown/ International District (*Seattle, Portland, Honolulu, San Francisco*)
- **Cultural districts to promote economic development** and/or support small and start-up businesses (*Austin; Washington DC, Honolulu*)

Redmond Concept/Intent	High Level Goals
<ul style="list-style-type: none"> • Overlake Intercultural District • Based on people and businesses, not focusing on architecture / form of the building (historical forms would be ok, but contemporary cultural references are a better fit) • Supporting/celebrating all our cultural diversity, intentionally not choosing one • Based on community input/needs, including extensive community conversations and participation 	<ul style="list-style-type: none"> • Protect BIPOC owned businesses and create places for start-ups • Create visual cues to demonstrate cultural capacity of area • Create relevant cultural gathering spaces and ways to activate those spaces (look at partnerships for ongoing management of District)

The following policies that are related to the establishment of an International District:

Common Centers Policies - Character and Design

Thousands live or work in the centers so it is especially important that they be great places to spend time. Urban character and design attributes are critical to creating great places and universal design considerations are critical to designing an inclusive community.

- | | |
|-------|---|
| CTR-6 | Maintain and periodically update Develop design standards that ensure a distinct character for each center and accommodate a variety of urban building types and forms (block/site/neighborhood). |
|-------|---|

- Overlake shall emphasize contemporary design form and features while also drawing on the rich multi-cultural composition of our community.
- Downtown shall emphasize Pacific-Northwest design features with a focus on materials and native landscaping that reflect that aesthetic.
- Marymoor is eclectic and emphasizes natural materials, inclusive design, and the importance of the area to local tribes.

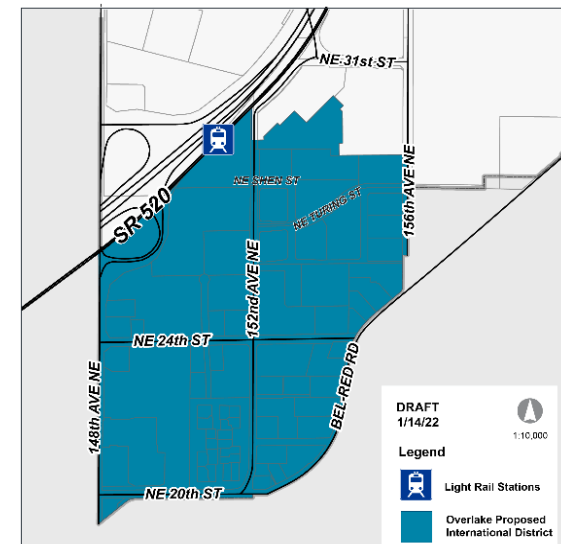
Overlake Policies - Character and Design

Overlake Village has its own unique character within the Overlake Neighborhood. This character reflects not only nearby high-tech businesses, but also the many international businesses that have located here. The policy below is designed to ensure that new developments in Overlake Village reflect the vision of the area as an urban, mixed-use neighborhood that provides a comfortable pedestrian and residential environment and yet is unique to the area.

OV-11 Establish a unique image related to the concentration of diverse ethnic businesses throughout the Overlake International District area (see map).

- Developments honor and acknowledge the rich multicultural community in Overlake and display this identity through site design, buildings design, and streetscape improvements.
- Locally relevant cultural references are integrated through thoughtful consideration in the selection of building materials and details, artwork, signage, and open space and recreation design.

Redmond is the home to many cultures and nationalities; this district would be inclusive of all of them, reflecting the inclusivity Redmond strives to foster. Debby Lacy from Eastside For All suggested the Term intercultural during our community engagement on this topic. Options explored included:



MAP OV-2. Overlake International District

This neighborhood is also home to a number of international businesses, such as the well-loved Mayuri bakery. Many of these businesses are at risk of displacement with redevelopment.

IMPLEMENTATION OPTIONS



There are several ways that this plan could be carried out to create a useful and culturally relevant intercultural district. Some of the essential neighborhood characteristics, such as ensuring adequate affordable housing, are already included in other updates to the Redmond zoning code.

The proposed code revisions include incentives for contributing features:

- Public art (mural, installation, etc.) that is representative of the diversity of Redmond
- Architectural details or elements in prominent location (entryway, etc.)
- Cultural facility (art studio, etc.)
- Multi-lingual signage

Staff is working with the Arts and Culture Commission, Economic Development staff, and OneRedmond to explore additional ways to further this district in the future. A new section is proposed to be added to the Redmond Zoning Code as part of the Overlake code package to establish the ability to create cultural districts and create the Overlake Intercultural District (RZC 21.04). The Arts and Culture Commission will serve as an advisory body for revisions to the items that qualify as a contributing feature for incentive purposes and future implementation measures.

Partnerships. The City will not be able to create and maintain a successful Intercultural District alone and will need to work with stakeholders throughout the process of creating and maintaining this neighborhood to ensure its success. Some important partnerships will include:

	<ul style="list-style-type: none"> Reaching out to cultural advocacy groups across the Eastside, including the Seattle Chinatown-International District Business Improvement Area non-profit group Partnering with Arts and Culture Commission for feedback and ideas on how to bring cultural elements into the space. Continued work with focus groups, such as the BIPOC business owners group, that have been formed during the Redmond 2050 project, and targeted outreach to Redmond's diverse population
11. Demonstrations of Bellevue's plans for Overlake (Stuart) <i>Staff response updated for 2/27 study session</i>	<p><u>Council Discussion</u> Would like to know more about what Bellevue's plans are for that area and how their plans relate to our Overlake updates.</p> <p><u>Staff Response</u> Bellevue just released their Final EIS for their comprehensive plan update. Planning staff will review and if possible meet with Bellevue staff to be able to better understand the most current information on their plans for the Overlake area and share that information with Council. Planning staff has reached out to Bellevue staff to set up a meeting and will provide Council with an emailed update afterwards.</p>
12. Metro center boundary expansion impacts (Kritzer) <i>Staff response updated for 2/27 study session (minor)</i>	<p><u>Council Discussion</u> Would like to learn more about the Metro Center boundary decision factors and the impacts of the boundary revision.</p> <p><u>Staff Response</u> In preparation for, and in parallel to, VISION 2050, in 2018 PSRC updated the Centers typologies and requirements and reclassified many centers, including Overlake. The old Urban Centers category was split into two, with the larger urban centers moved into a new category - Metro Center. Since Overlake qualifies as a Metro Center under today's activity levels, Overlake was reclassified as a Metro Center. There are a few things, however, where the existing center wasn't a great fit and the boundary was one of those areas. Staff initiated a boundary revision as part of 2050 that focused around, but was not limited to;</p> <ul style="list-style-type: none"> Primary goal: capture the TOD walkshed and the bulk of the office development within the center. Primary benefit: eligibility for regional, state, and federal funding, especially transportation related grants. <p>To develop the new boundary proposal, a series of criteria was developed to guide decisions. That initial organizing criteria included:</p> <ul style="list-style-type: none"> Must meet PSRC Metro Center criteria or be able to explain clearly why deviating. The proposed boundary is larger than the PSRC guidelines, so we will need provide justification for our request in the certification process.

	<p>The City is updating its Green Building Incentive Program (RZC 21.67) to align with the ESAP and modernize the program. Key elements of the proposed Green Building Incentive Program include:</p> <ul style="list-style-type: none"> • 100% voluntary (consistent with the current program). • Reorients towards outcomes rather than specific certification programs • Applicable to multifamily and commercial projects. • Requires all electric buildings. • Aligns with the Washington Clean Building Performance Standard, which creates energy performance requirements for existing buildings 20,000 SF and above. Alignment with the CBPS promotes higher long term compliance with the state law and leverages a widely used standard defined and managed by the state. • Creates flexibility for developers to select the additional techniques most relevant to their project (solar, EV charging stations, energy storage, water conservation, tree preservation, etc.). • Provides land use incentives identified by the underlying zoning district.
Code Rewrite	
14. Solid waste: how will the City's vision of increased waste diversion rates be managed? (Stuart)	<p><u>Council Discussion</u></p> <p><u>Staff Response</u> New code requiring developers to plan for, design, and build adequate space for collection of solid waste, recycling and organics within each building will ensure space is large enough to allow for effective diversion. In addition, the City will continue to conduct proactive outreach to multifamily property managers and residents to affect permanent behavior change for residents living within multifamily properties in Redmond.</p>
15. Live-work: (Kritzer)	<p><u>Council Discussion</u></p> <p><u>Staff Response</u> Live-work units, offering a combination of living and working floor area within one dwelling unit, are one of several types of housing that support the city's variety of housing types. In addition, live-work units allow for small forms of brick-and-mortar commercial in places where people can easily access goods and services near their home and place of employment. The live-work unit is owned or rented by one party in comparison to leased commercial spaces within mixed-use buildings. This type of housing is supported, encouraged, or required along street frontages where an active pedestrian environment is envisioned by city policy.</p> <ul style="list-style-type: none"> ○ The first live-work units in Redmond were developed in the Sammamish Trail zoning district. These are located along 160th Avenue NE and NE 83rd Street. ○ Design standards for downtown zoning districts such as Sammamish Trail, Anderson Park, and Town Square (RZC 21.62.020.H Downtown Design Standards) encourage retail uses at the ground floor to support pedestrian activity.

	<ul style="list-style-type: none"> More recently, the establishment of Marymoor Village also identified requirements for pedestrian-oriented uses along several streets anticipated to provide neighborhood connections to the Marymoor Light Rail station (RZC 21.13.140 MDD Building Placement and Form). Some of these units also allow future conversions from residential uses to nonresidential uses, offering flexibility to the occupant for the initial use of the dwelling unit. <p>The current series of recommended amendments to provide clarity and to include standards for live-work units to be included in new development, where applicable in centers for street and pedestrian activation.</p> <ul style="list-style-type: none"> The standards are consistent with the Building Code regarding separation of uses for safety. Live-work units are counted for inclusion of affordable housing and supported by the Multifamily Housing Property Tax Exemption. Design standards ensure the use of elements to create visual interest at entryways to the work portion of individual live-work units, thereby distinguishing these from ground-floor residential units.
<h2>Other</h2>	
<p>16. Existing development agreements – what happens when code is updated? (Fields)</p>	<p><u>Council Discussion</u></p> <p><u>Staff Response</u></p> <p>Development agreements, authorized in RCW 36.70B.170, are contracts between the City and a property owner. The terms of each development agreement (DA) dictate what happens when zoning provisions are updated during the term of the DA. Common provisions include:</p> <ul style="list-style-type: none"> <u>Vesting</u>: many DA's vest development on the subject property to development regulations in place at the time the agreement is executed. Thus, when zoning provisions are updated, the updates do not apply to the property covered by the DA. There are exceptions to this, for example, DA's do not vest development to non-land use regulations (such as building codes, impact fees, etc.). <u>Asking City to apply newer standards</u>: some DA's allow the owner of the subject property to ask the City to apply land use regulations adopted since the execution of the DA. In this case, a new regulation would apply if an owner requested it and the City agreed. <u>Expiration</u>. DA's contain expiration dates. If a land use regulation is applied after a DA expires, the new regulation applies as it would to any other property. <u>Affordable Housing Units</u>. Affordable units are bound by covenants which run with the land. As such, existing affordable housing units do <u>not</u> change when new regulations are adopted. <p>Two related questions are:</p> <ol style="list-style-type: none"> <i>What happens to developed property when new land use regulations are adopted?</i>

	<p>New land use regulations are applied when a property owner seeks to redevelop land. Until that time, the structure, site, or use may be considered legally non-conforming if there is a conflict between the site/use/structure and the newly-adopted land use regulation.</p> <p>2. <i>What happens to projects in the pipeline when new land use regulations are adopted?</i> Redmond adopts Washington state statutory vesting rules. A project is vested to land use regulations when the applicant files either 1) a complete subdivision application, or 2) a complete building permit application. Depending on a project's complexity, these milestones may be many months into the design process. In recognition of that, the proposed RZC amendments for mandatory inclusionary zoning include step-down provisions so that they become effective gradually. The proposed RZC amendments for Overlake contain provisions to 1) allow projects in the pipeline to continue using existing regulations until they are complete, provided they continue to make diligent progress, and 2) allow property owners to make interim improvements to their site as long as those interim improvements are headed in the direction of meeting new code requirements.</p>
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Planning Commission Recommendation:

Centers and Overlake Policies and Regulations

City Council Study Session
February 27, 2024



Agenda

- Centers and Overlake Policies
- Overlake Regulations: Transition to New Standards
- Overlake Incentive Program
- Green Building and RZCRW
- (Time Permitting) Continuation of Housing

Objective

Obtain Council direction on discussion topics in the Overlake package.

Presentation Focus

- Relationship of Centers and Overlake policies to Community Development and Design element
- Overlake code: transition to new regulations
- Overlake Incentive Program
- Green Building Program updates

Centers and Overlake Policies

Part of a Whole...

Moved from Centers Element to be **part of new Community Development and Design (CDD) Element** with all three centers, design policies, historic preservation, etc.

This Element will be discussed at a future Council study session.

- **Growth allocations** moved to a new section that discusses growth distributions for the whole city and not just the centers.
- Several policies related to **equity and/or design** have been moved, many to the new Inclusive Design section, to be relevant to either all centers or citywide.

CDD Element

Contains policies related to implementing the community vision for where development and redevelopment will be permitted and what it will look like. It also contains policies related to preserving our history.

- I. Introduction
- II. Accommodating Growth
- III. Centers
- IV. Corridors
- V. Neighborhoods
- VI. Design
- VII. Preservation

The vision, guiding principles, existing conditions, and growth projections are found in the Introduction section for this Element, while each remaining section will have a set of policies specific to that topic.

Also Relevant to Overlake:

- The Community Design section includes many policies that are relevant to Overlake as well, so good to be familiar.
- Three framework policies and policies specific to inclusive design, public realm design, and more.

Inclusive Design

Inclusive so everyone can use it safely, easily and with dignity.

Responsive to what the community says is wanted and needed.

Flexible so different people can use the buildings and places in different ways.

Convenient so everyone can use it without too much effort or separation.

Accommodating for all people regardless of their age, gender, mobility, ethnicity, or circumstances.

Welcoming with no disabling barriers that might exclude some people.

Realistic offering more than one solution to help balance everyone's needs and recognizing that one solution may not work for all.

Understandable everyone knows where they are and can locate their destination.

Overlake Regulations: Transition to New Standards

Transition to New Standards

- **Project in review but not yet received entitlement:** allowed to choose if staying with current code (time limit and other requirements apply).
- **Incremental development provisions:** allowing property owners flexibility if not ready to redevelop entire site at once.
- **Baseline FAR updates:** makes most podium-style development allowed without use of incentive program.
- **Ensuring we can meet our growth targets:**
 - Requires minimum building heights
 - Require “phasing” if under-developing site (building less than is typically seen today)



Overlake Incentive Package

- **Future-focused: not needed for most podium projects**
- **Incentives mass timber and towers**
- **Catalyst/pilot projects**
- **Flexibility for smaller projects**
- **Customized package option**

Structure

- **Five Main Categories - Must choose 1+ item(s) from each**
 - Affordable Housing (optional for 100% non-residential projects)
 - Green Building
 - Inclusive Design
 - Building, Site, Form, Uses
 - Open Space, Art, and Public Amenities
- **One Optional Catalyst Category**
 - May be used with or without main categories
- **Optional Process for Customized Package**
 - Requires Development Agreement

Child-Friendly Bonus

- Must choose **4 or more** options. (Max two from open space and amenities category.)
- Examples:
 - Affordable Child-Friendly Housing (3 bedroom, 1.5 bath)
 - Accessible, Visitable, or IDD Housing Units
 - Inclusive / Universal Design Features
 - Childcare Facilities
 - Co-location agreement with School District(s) or other educational organization, social services, cultural or art organizations, or other non-profit
 - Co-location of child-focused or child-friendly business - karate, dance, music, gymnastics, study/tutoring, indoor playground, children's museum, theater, etc.
 - Playground, play installation, splash pad water play area, or creative or artistic play structure for multiple ages
 - Picnic/seating shelter

Built to change over time

- **Initial thresholds lower than final** to help “bridge the gap” in the market to accelerate mass timber and tower opportunities
 - The maximum bonus is achievable at 200 points during this initial phase but will be raised incrementally over time to no more than 400 points.
- **Some catalyst options are limited in use (from one to three projects) or are time limited.**
- **Intended to be reviewed periodically** to ensure alignment with city vision, not fall behind code updates (especially green building code incentives), add/remove items, and to refine if costs change significantly.

Green Building Program Updates

Proposed Green Building Incentive Program Overview

- Voluntary
- Point-based
- Specific incentives (height, FAR, etc.) remain in other chapters (Overlake, etc.)
- Establishes a performance period
- Creates penalty for non-compliance
- Creates RZC Appendix 10 for detailed technical requirements

Minimum Requirements

1. 100% electric
2. Meet energy use intensity target
3. Earn *any* green building certification that requires energy modeling
4. Share EPA Portfolio Manager data with City
5. Build to prescribed Energy Code building envelope pathway
6. Track embodied carbon, reduce 10% over baseline



Optional Techniques

- Energy storage
- Renewable energy beyond code
- Electric vehicle charging infrastructure
- Stormwater Management – Salmon-Safe Certification
- Water conservation – Appendix M, pipe sizing
- Tree preservation
- Deconstruction
- Construction and demolition recycling – 60% diversion
- Benchmark embodied carbon – 30% reduction
- Water conservation

Thank You

.....

redmond.gov/1592/Overlake-Updates

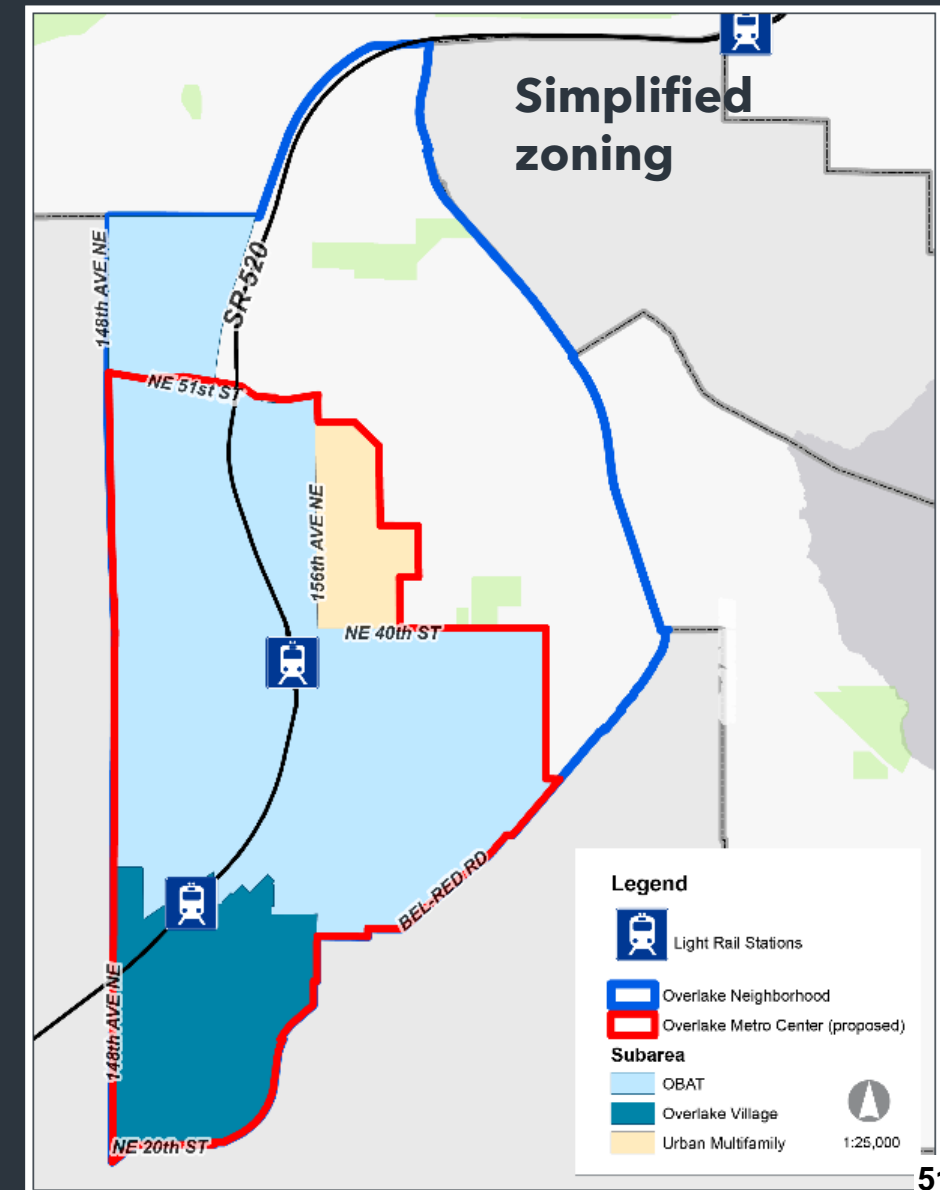


Appendix

Overlake Regulations Supporting Slides

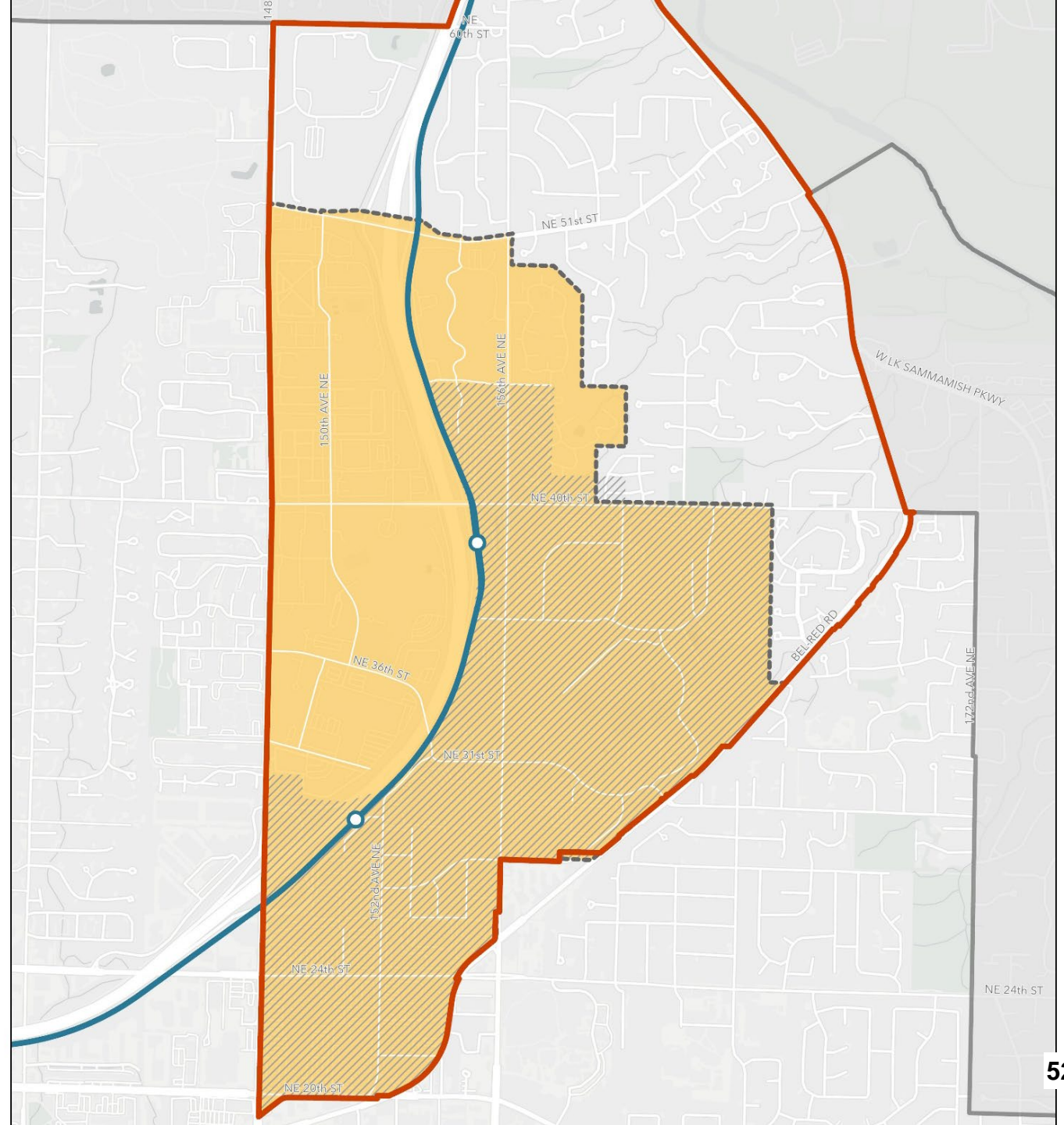
New/Major Changes

- Simplified format
- Expanded Center Boundary
- Upzoning, zoning consolidation, new zoning district
- Design standards updates: urban form, towers, equity
- Expanded allowed uses, simplified regulation of uses
- Public realm standards based on street type
- New incentive program, flexible menu of options, expanded priorities to include equity and anti-displacement and other Redmond 2050 priorities



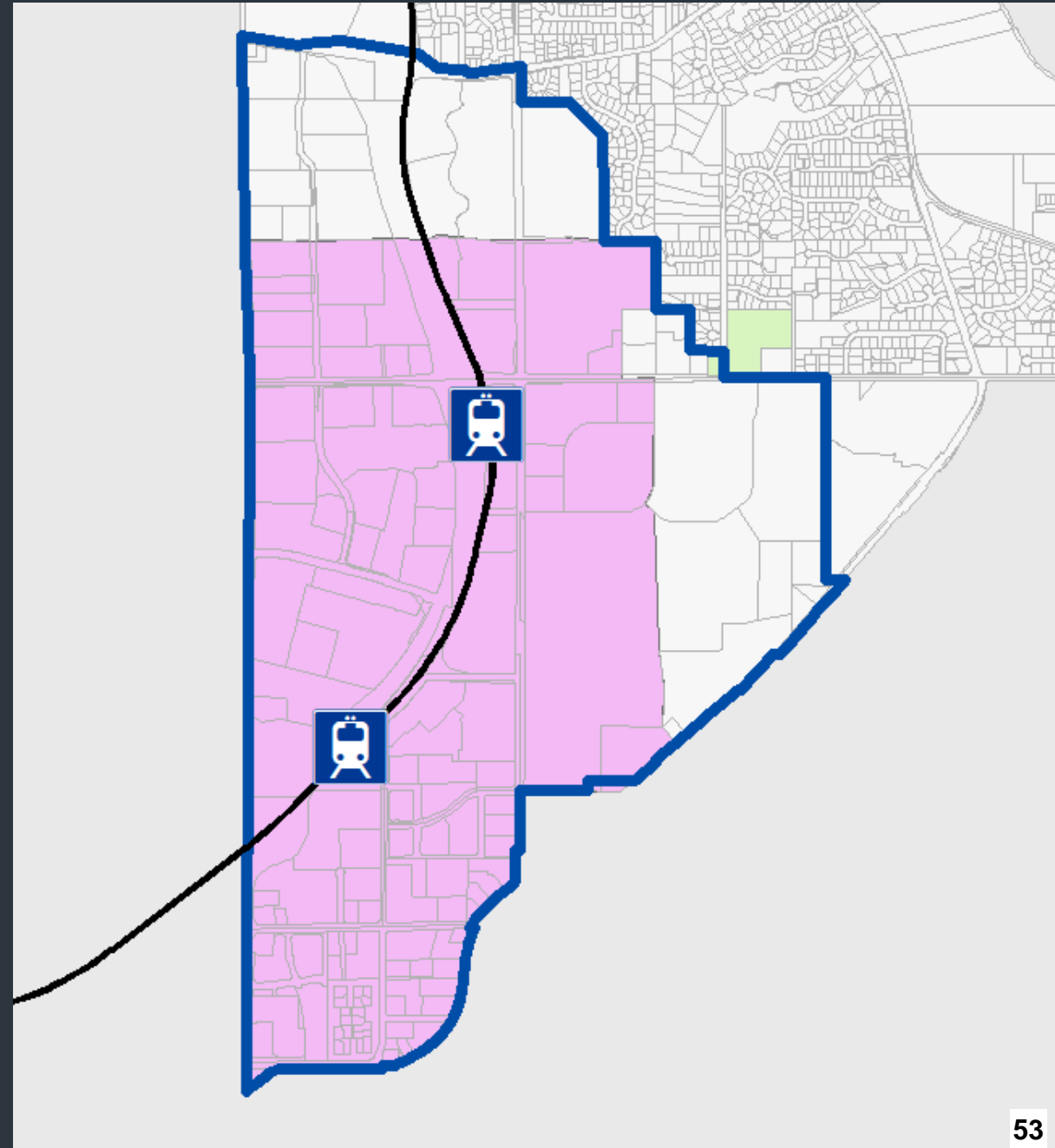
Center Boundary Expansion

- From: 500.1 acres
- To: 864.4 acres
- **Primary goal:** Capture the TOD walkshed and the bulk of the office development within the center.
- **Primary benefit:** Eligibility for regional, state, and federal funding, especially transportation related grants.



TOD Focus Area

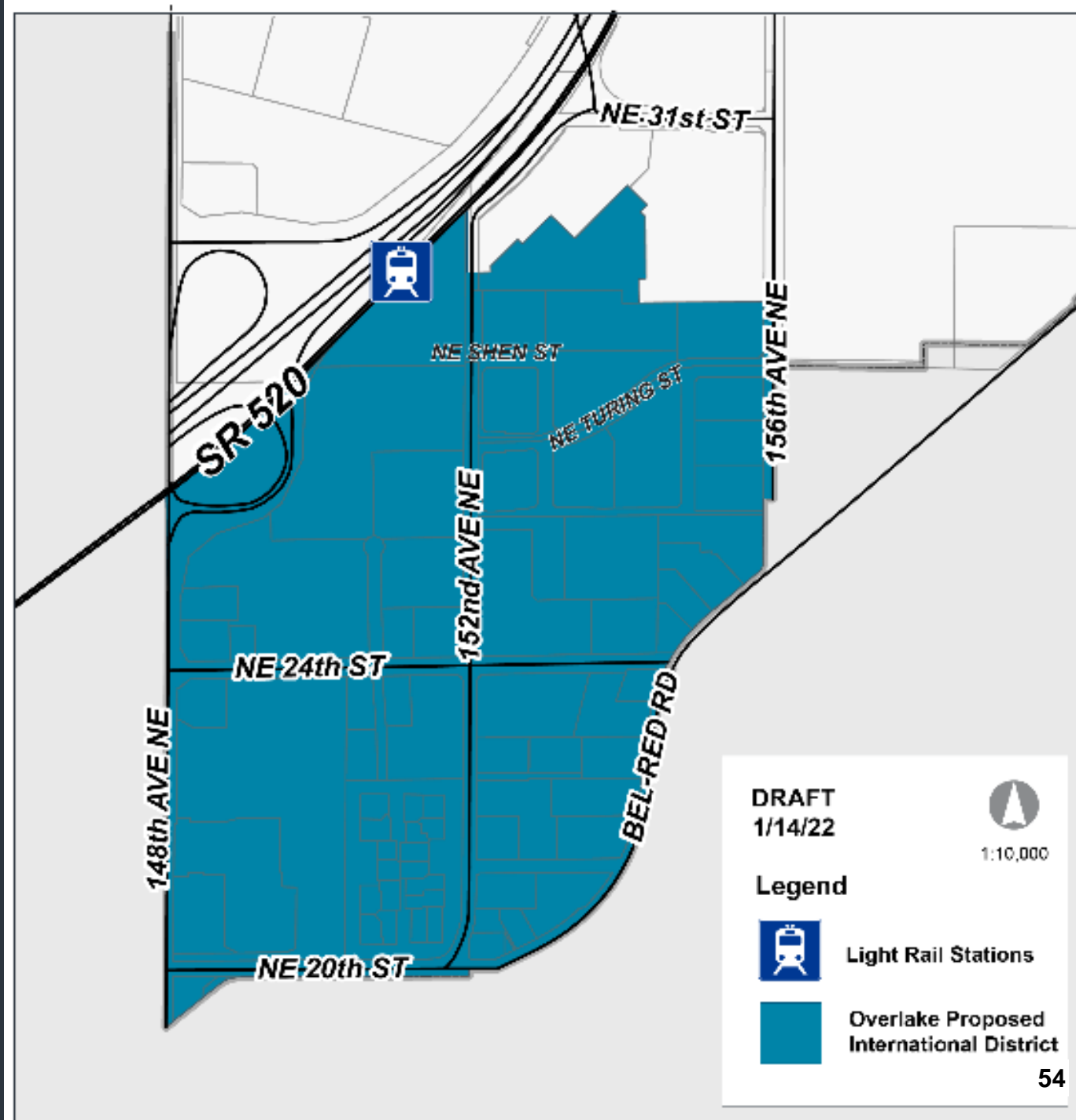
- Inside TOD Focus Area (shaded in purple) has different points maximum and different priorities
- At 100 points, can combine with Transfer of Development Rights (TDR) program
- Over 200 points, removes FAR and lifts height to 300 ft.



Intercultural District

Established only, will need to be developed over time.

- Arts & Cultural Commission as recommending body for incentives or other code updates for Planning Commission and Council consideration.
- Partnerships with Economic Development staff and OneRedmond, arts and cultural organizations, and more.



Summary of Code Changes

Increased Allowances

- FAR and building height increasing
- Required parking decreasing, in some cases to zero
- Most podium-style development would no longer need to use incentive program
- More flexibility / options to choose from for incentives

Changing Requirements

- Changes in affordability levels and percentages
- Some Green Building requirements for Overlake
- Minimum building heights (3 or 4 stories)

FAR Revisions	CURRENT BASE (w/o Incentives)	CURRENT MAX (w/ Incentives)	PROPOSED BASE (w/o Incentives)	PROPOSED MAX (w/ Incentives)
Overlake Village (OV)	2.9 – 3.7 (housing max 2.5)	5.2 – 5.35	5	TOD Focus Area No FAR restriction (height and other restrictions apply) Elsewhere: 9.5
Overlake Business and Advanced Technology (OBAT)	1.55 (housing max 1.0)	1.62	3	
Overlake Multifamily (OVMF)	Density varies based on zoning (R-6, R-12, and R-30), averages 20 du/a		3 FAR (50 du/a)	9.5

BUILDING HEIGHT REVISIONS	CURRENT BASE (w/o Incentives)	CURRENT MAX (w/ Incentives)	PROPOSED MINIMUM	PROPOSED BASE MAX (w/o Incentives)	PROPOSED MAX (w/ Incentives)
Overlake Village (OV)	5 stories	9 – 12 stories	45 ft. in TOD Focus Area 35 ft. elsewhere	150 ft. mixed-use; 120 ft. non-residential	TOD Focus Area 300 ft. If top floor is amenity space, may exceed 300 ft by one additional story. <i>Not to exceed 30 stories.</i> <i>Elsewhere:</i> 230 ft.
Overlake Business and Advanced Technology (OBAT)	4 – 9 stories	5 - 10 stories			
Overlake Multifamily (OVMF)	n/a	35 ft.	35 ft.	85 ft.	160 ft.

Overlake Incentive Program Supporting Slides

Why Updating Incentives?

- Encourage development that advances community goals in **affordable housing, sustainability, inclusive design,** and **community amenities**
- Encourage transition from **suburban to urban** form.
- Accommodate growth and new urban forms.
- Consolidate all incentives into one place
- Make progress on multiple priorities
- Improve flexibility, using broader menu of options.

Incentives Calculator Instructions

- *Use the excel spreadsheet to test how program can be used*
- Enter "Y" in column A for selections.
- Once completed, scroll to bottom for estimated total points earned and the FAR bonus.
 - Points shown as estimates as staff will need to confirm eligibility based on information provided at application.
 - If eligibility confirmed for all items selected, the total points shown and incentives earned will not change.

Affordable Housing

- Credit for more than the mandatory in RZC 21.20
- Combined 30% and 50% categories
- Added in-lieu fee option as requested
- Because affordable housing is the highest cost item and highest priority, extra points were assigned

Affordable Housing

Units at or Below 50% Area Median Income (ABOVE MANDATORY)

Additional 2% of units

Additional 2-4% of units

Additional 5-9% of units

Additional 10-14% of units

Additional 15% of units or more

Affordable Child-Friendly Housing (3 bedroom, 1.5 bath) \leq 80% AMI

5 - 9% of affordable units are family housing

10-15% of affordable units are family housing

more than 15% of affordable units are family housing

100% Affordable

Affordable Housing In-Lieu Fee (see 21.20.050) - points per unit provided

Green Building

- Mandatory items moved to 21.12
- Matches citywide green building incentive proposal items and weighting

Green Building

Building Electrification. Fully Electric Building
Building Performance Standard. Building meets Tier 1 Euit
Energy Management.
Green Lease Leaders Gold certification
Green Lease Leaders Platinum certification
Energy Storage. System meets 100% of critical load requirements (kW) and emergency needs (kWh) for 3+ hrs
Renewable Energy
50% to 75% additional kW beyond energy code requirements
75% to 99.9% additional kW beyond energy code requirements
100%+ additional kW beyond energy code requirements
EV charging station (min of additional 10% of total spaces, above mandatory requirement)
Stormwater Management - Salmon-Safe Urban Standard
Water Conservation - Potable water system - conservation measures/ fixtures (Appendix M of UPC)
Tree Preservation. Retain 40% of the significant trees
Bioengineered green walls that meet criteria for City's stormwater permit requirements
Calculate the embodied carbon baseline and show at least a 10% reduction
Materials Reuse and/or Recycling
Deconstruct all buildings over 10,000 ft ² with at least 50% conditioned floor area
Demonstrated recovery, reuse, or recycling of >60% of construction and demolition materials

Inclusive Design

- Added clarification on type of units, references to International Code Council sections for A117.1
Accessible and Usable Buildings and Facilities
- Modified IDD options for based on input from state on requirements for housing for individuals with intellectual or developmental disabilities

Inclusive Design

Accessible Housing Units (above min ADA requirements) - Type A or B Units in ICC A117.1

5-9% of units

10-25% of units

more than 25% of units

Visitable Housing Units - Type C Units in ICC A117.1

5-9% of units

10-25% of units

25-50% of units

More than 50% of units

Inclusive / Universal Design Features

Universal/Inclusive Design Features in Building (see checklist)

Universal/Inclusive Design Features in Site (see checklist)

Universal/Inclusive Design Features in Residential Buildings (if applicable, see checklist)

IDD Housing (min of half are affordable $\leq 80\%$ AMI) - DSHS DDA's support letter req'd; onsite service providers must be DDA-approved

6-10% of units

11-15% of units

16-20% of units

Building Site, Form, and Uses

- Worked with City economic Development staff and OneRedmond to finalize list of options based on need and priorities

Building Site, Form, Uses

Anti-Displacement / Small Business Relocation Provisions
Small Commercial spaces (offers coop spaces or other varieties of spaces)? Recalc to be points PER UNIT
micro spaces - less than 600 sq ft
small spaces - 600 to 2000 sq ft
Small Commercial condo/ownership bonus
Affordable Commercial (10%+ non-res space at 20% reductions from market rents)
5-9 years
10 or more years
In perpetuity/ Life of building
Displaced Business Bonus
Displacement Assistance
Citywide displaced businesses: Design of spaces to limit tenant improvement costs
Relocation package offering financial assistance to off-set the cost of moving, tenant improvements, and/or impact fees for a new business location
First right of refusal for new spaces offered to existing on-site residents/businesses
Childcare Facilities (10% reduction in market rents)
Co-location agreement with School District(s) or other educational organization/business
Co-location agreement with social services, cultural or art organizations, or other non-profit (with affordable commercial package)
Co-location of child-focused or child-friendly business (wordsmith this) - karate, dance, music, gymnastics, study/tutoring, indoor playground, children's museum, theater, etc.
Emergency Management Staging/Storage Agreement with city or other emergency management agency

Open Space, Art, and Amenities

- Worked closely with Parks and Recreation staff

Open Space, Public Art, and Public Amenities

Publicly-accessible open space. Additional 5% publicly -accessible open space above min code or an additional 200 sq ft, whichever is greater (must have a minimum of three of the amenities options shown below) --- consultant analyzed as 20%
play installation
playground or park (Size min?)
splash pad water play area (1,500 sq ft min)
creative or artistic play structure for multiple ages (2,000 sq ft min)
interactive sensory art
sensory rest area
picnic/seating shelter
500 - 900 sq (10 - 20 people)
greater than 900 sq ft (50-75 people)
public art
performance art space ft
2,500 - 5,000 sq
5,000 to 10,000 sq ft
10,000 to 15,000 sq ft
greater than 15,000 sq ft
pollinator habitat (100 sq ft min)
urban foraging space (100 sq ft min)
community garden (2,000 sq ft min)
loop exercise trail
publicly accessible gym space (600 sq ft min)
publicly accessible activated spaces (chess tables, etc) (400 sq ft min)
sports courts (basketball, pickleball, tennis, badminton, etc)
all-weather turf fields (baseball, soccer, cricket, etc)
Permanent public restroom

Catalyst Project Points

- Optional – can be used as a stand-alone category
- Many have sunset clause (time or # of uses)
- Moved Intercultural District contributing features here to maximize flexibility for use

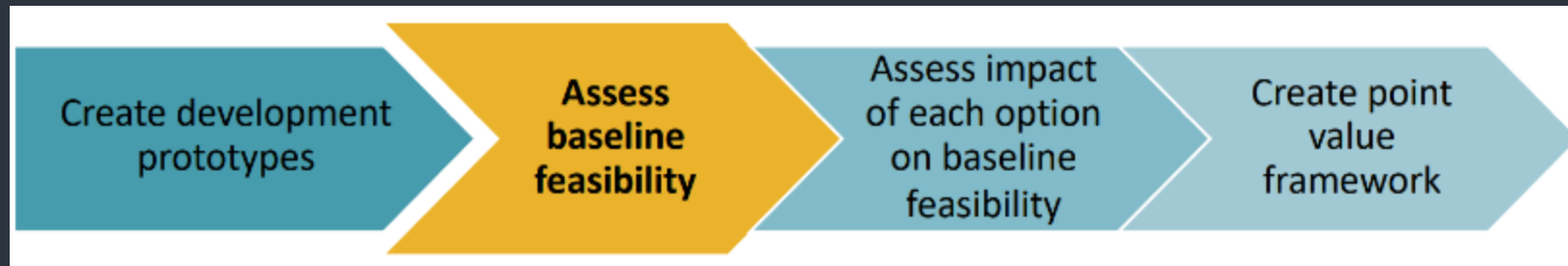
Catalyst Project Points (optional - may be used in combination with above incentives or independently)	
Pilot/major projects or other incentive that expires (has a specific sunset clause)	
Mass Timber Pilot Project	
Net Zero energy building	
Four or more child-centered options (identify specific items that qualify)	
Affordable housing and/or supportive housing include on-site support services provided for residents	
Hotel & Conference Center, full service	
Cultural or Performance Center 20,000 sq ft or larger (for smaller spaces, see open space and amenities section)	
City Hall outpost agreement (must meet min facility size and City approval required)	
Community center or aquatic center 20,000 sq ft minimum (City approval required)	
Commercial Kitchen, Food Court or similar uses allowing micro food and retail (farmers market, etc.)	
Publicly accessible "changing places" restroom with height adjustable, adultsized changing bench (see checklist)	
Watershed protection or enhancement	
Regional Stormwater Management Facility	
Intercultural District contributing feature (points for each option), inside district only	
Public art (mural, installation, etc.) that is representative of the diversity of Redmond	
Architectural details or elements in prominent location (entryway, etc.) that reflect	
Cultural facility (art studio, etc.)	
Multi-lingual signage (ask Kim about sign code, size issues)	

Customized/New Ideas Option

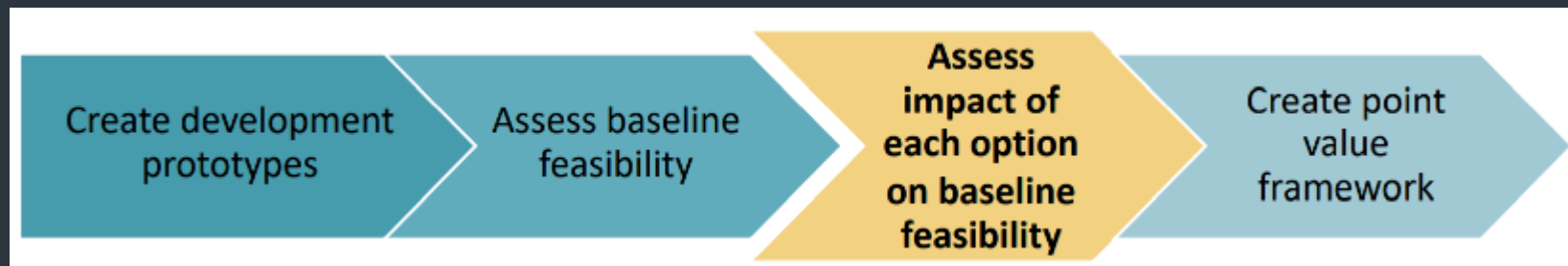
- Major Project / Pilot Project with significant public benefit
- **Approved through Council via a Development Agreement**
- Points must match or exceed public benefit of incentive program and not exceed FAR calculations per point. (*No customized points system or FAR variables.*)
- City may hire a consultant to evaluate the proposal at cost of the developer

Consultant Incentive Package Evaluation Approach

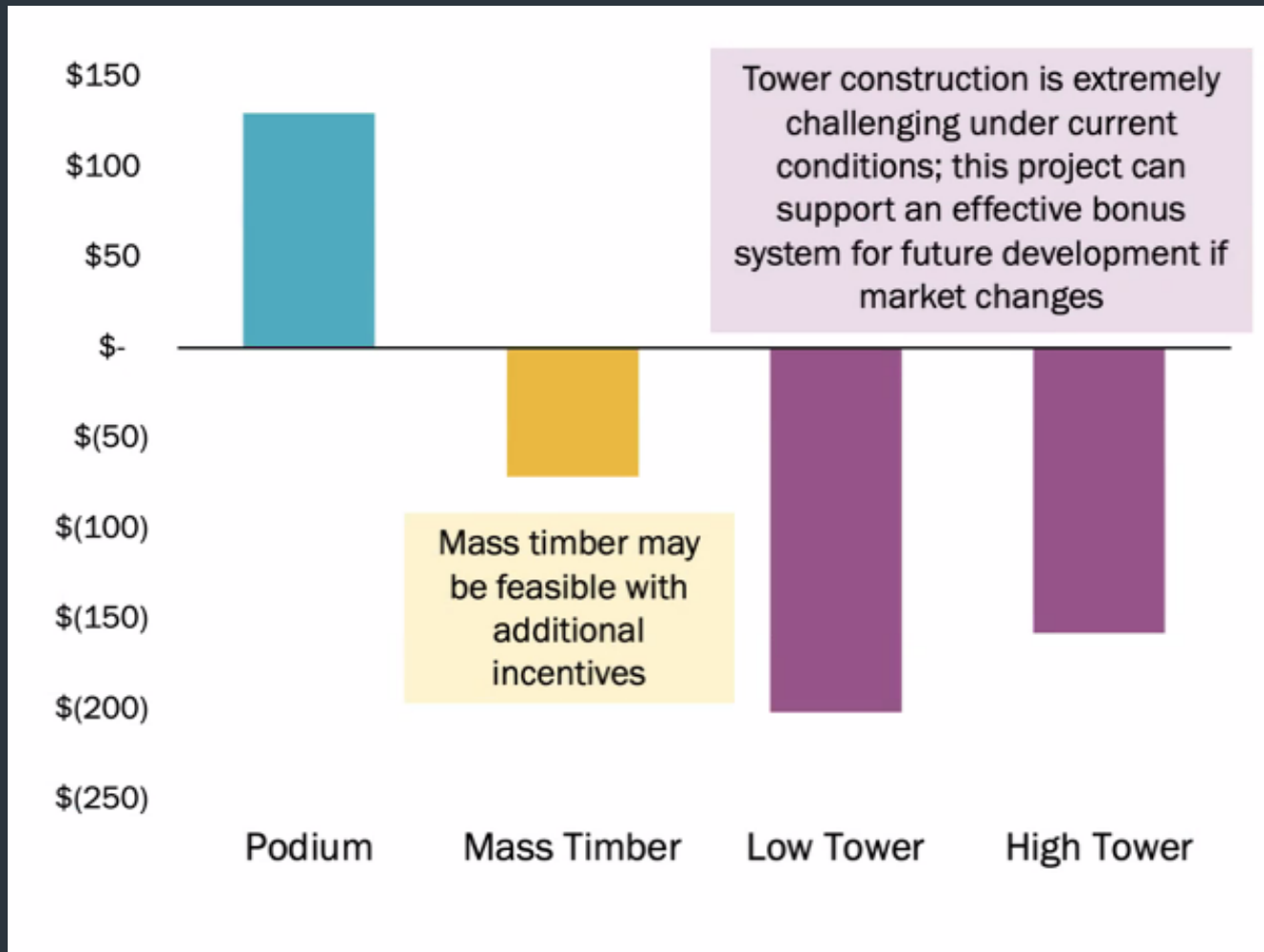
- **Baseline Feasibility (w/o incentives)**



- **Then Analyze Incentives Impact on Baseline (proforma approach)**



Consultant Findings: Costs & Feasibility



- **Podium will not typically need incentive program**
- Mass timber is a near- to mid-term opportunity
- Tower construction is not feasible in today's market; program is "tower ready"

Redmond Zoning Code Rewrite Items

Redmond Zoning Code Rewrite Items

RZCRW items that are related to or closely aligned with Overlake were included in Overlake package

Code Chapter	Proposal
RZC 21.22, Public Art	Codify existing process
RZC 21.45, Solid Waste Storage	Update to address urban forms, clarifications, new processes, user guide
RZC 21.67 and Appendix 10, Green Building Program	Major update
RZC 21.78, Definitions	Mix of Redmond 2050 and RZCRW updates



Memorandum

Date: 2/27/2024

Meeting of: City Council Study Session

File No. SS 24-007

Type: Study Session

TO: Members of the City Council

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron Bert	425-556-2786
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DEPARTMENT STAFF:

Public Works	Steve Gibbs	Acting Manager, Capital Division
Public Works	Vangie Garcia	Deputy Director

TITLE:

Capital Program 2023 Year End Highlights and 2024 Look Ahead

OVERVIEW STATEMENT:

Update to Council on the 2023-2024 CIP with project status updates as of the end of 2023 and the beginning of 2024

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☒ **Receive Information**

☐ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
CIP
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
Requested as part of the budget process

OUTCOMES:

N/A

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:
N/A

Approved in current biennial budget: ☐ Yes ☐ No ☒ N/A

Budget Offer Number:
N/A

Budget Priority:
N/A

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A
If yes, explain:
N/A

Funding source(s):
CIP

Budget/Funding Constraints:
N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

Attachment A: 2023-2024 Construction Division Highlights presentation

Attachment B: Council Handout - Projects List



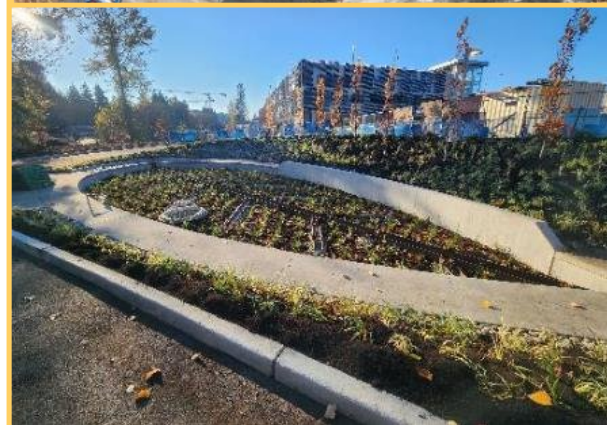
Capital Division 2023 Recap 2024 Looking Forward

Public Works Department
Council Study Session
February 27, 2024



2023 CIP Project Statistics

- Worked on 31 projects during the year
- Initiated 6 projects
- Advertised/Started Construction on 7 projects
- 8 projects in Design
- 9 projects Under Construction
- 13 projects Substantially Completed
- External Project Support
 - Sound Transit
 - Redmond Technology Station (RTS) Pedestrian Bridge
 - Overlake Access Ramp





Projects Completed in 2023

- 90th St. Pond Refurbishing
- Lift Station 12 Replacement
- Lift Station 13 Replacement and 70th Street Force Main
- MOC - Plumbing and ADA Improvements
- Motley Zoo Building Demo
- NE 40th Street Stormwater Treatment Retrofit
- NE 40th Street Shared Use Path
- Overlake Access Ramp
- Pavement Management - Avondale Rd
- Pedestrian and Bicycle Bridge - Redmond Technology Center Station
- Pressure Reducing Valve & Meter Replacement #2
- Redmond Way/East Lake Sammamish Parkway
- Three Rectangular Rapid Flashing Beacons (RRFBs)



Project Highlight - Lift Station 13

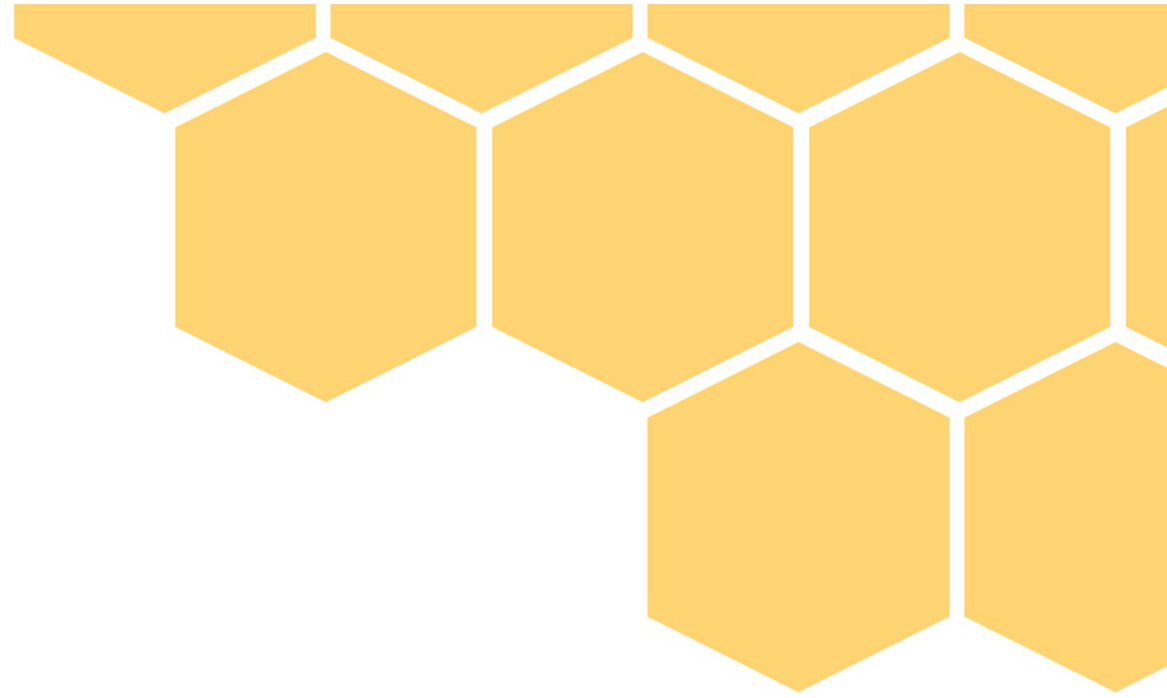
- Held Contractor accountable by following the contract through numerous challenges
- Schedule disruption due to pandemic and franchise utility relocation delay as well as groundwater dewatering difficulties
- Coordinated construction activities with adjacent Community Center activity and other property owners throughout construction



2023 Other Key Highlights

- Completion of Major Regional Partner Projects – Redmond Technology Station Bridge, Overlake Access Ramp, and NE 40th Water Quality completed
- Completion of initial Lift Station Upgrade Program of 15 stations
- Project Management Software Evaluation and Selection Process
- Beginning of MOC Master Plan process
- Retirement of three Senior Project Managers with over 100 years of experience
- New alignment of Capital Division





2024 Looking Forward



Capital Projects Division

Infrastructure and Mobility

CIP Manager

Program Planning, Administration, & Coordination

- Capital Program Planner
- Program Coordinators

Project Development and Programmatic Projects

- Team Supervisor
- Senior Engineers
- Associate Engineer

Major Projects and Inspection Services

- Team Supervisor
- Senior Engineers
- Engineer
- Lead Construction Inspector
- Senior Inspectors

Capital Projects Division

Infrastructure and Mobility

Program Planning, Administration, & Coordination

- CIP Programming
- Fiscal monitoring of CIP Projects
- Data entry and management in new project software
- Update standard construction documentation

Project Development and Programmatic Projects

- Assist functional areas with pre-design services
- Implementing programmatic initiatives, e.g. traffic safety improvements, pavement management, sidewalk rehabilitation
- Transportation Benefit District (TBD) projects

Major Capital Projects and Inspection Services

- Complex Design
- Intricate Construction Sequencing
- Multiple jurisdictional permitting coordination
- Federal and/or State Grants

Capital Projects Division

Infrastructure and Mobility

Program Planning, Administration, & Coordination

- CIP Programming
- Fiscal monitoring of CIP Projects
- Data entry and management in new project software
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Major Capital Projects and Inspection Services

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Projects in Design - 2024

Continuing – 8
Starting - 20

Project Highlight NE 70th Street Improvements (Redmond Way to 180th Avenue NE)

Project is delayed and needs additional funding

- Scope include new general purpose lanes, left turn lane, bicycle lanes, and sidewalks.
- Added scope- RedWay crosswalk and added storm piping and bio swale connection.
- In the wellhead protection zone.
- Property acquisition
- FHWA funding and compliance
- WSDOT Limited Access



Projects in Construction - 2024

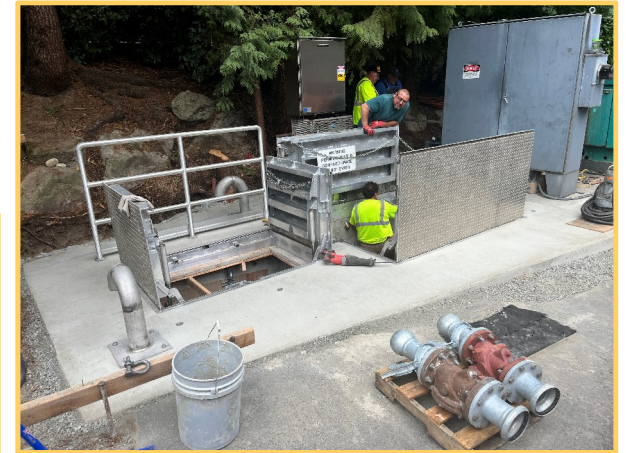
Continuing – 5
Starting - 9

Project Highlight Lift Stations 5, 6, 8, 11 and
15 Equipment Upgrades

Under budget with slight delay

Scope includes:

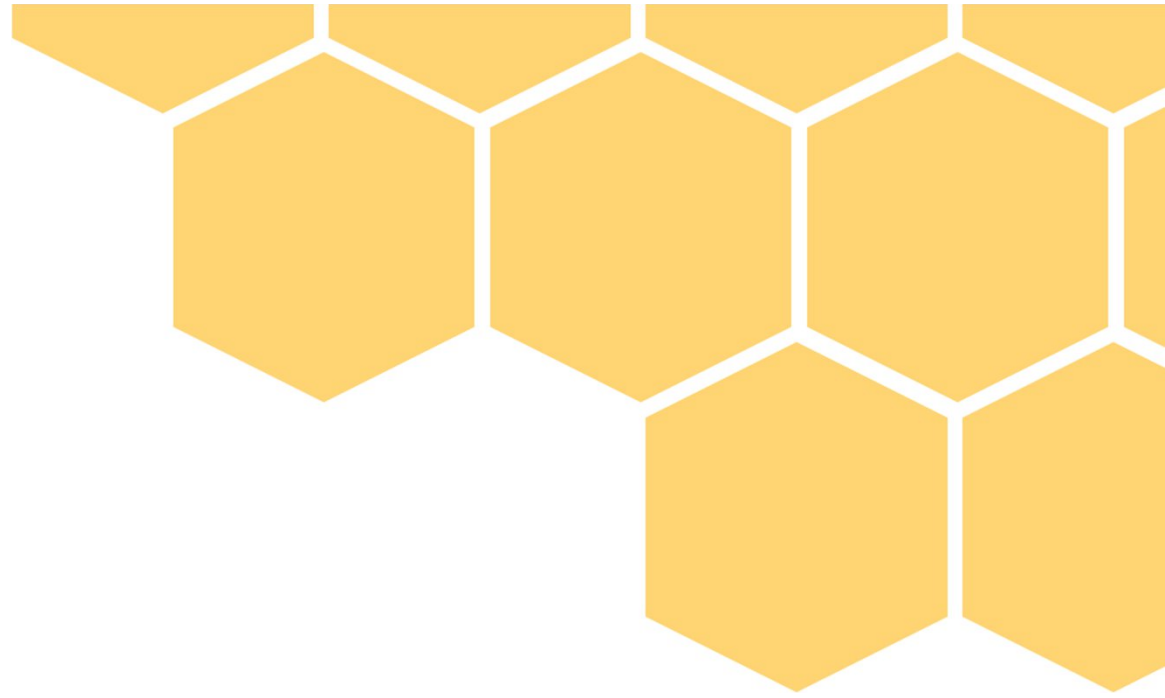
- Pumps, electrical controls,
- Telemetry upgrades,
- Wet well and valve vault restoration or replacement
- New standby emergency generators and automatic transfer switches



2024 Priorities

- Support development of 2025-2030 Capital Improvement Plan (CIP)
- Continue implementation of CIP projects with 22 project starts
- Continue to support Sound Transit Downtown Redmond Link Extension
- MOC Master Plan – finalize conceptual plan and establish project timeline
- Establish new division alignment with multiple staff recruitments currently in progress
- Establish consistent quarterly progress report process for all project phases
- Support Project Management software implementation, including process mapping





Questions?

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Thank you!
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Questions?



2024 Capital Improvements Project List

Completed Projects		Council Acceptance	
Intersection Improvement Project - Redmond Way and East Lake Sammamish Parkway		Approved	Jan-24
Lift Station 13 Replacement and 70th Street Force Main		Approved	Feb-24
Three Rapid Rectangular Flashing Beacon Crosswalks		Approved	Feb-24
Pressure Reducing Valve & Meter Replacement Phase 2		Expected	Q1
Lift Station 12 Replacement		Expected	Q2
Pedestrian and Bicycle Bridge - Redmond Technology Center Station		Expected	Q2
40th Street Shared Use Path (156th Avenue NE to 163rd Avenue NE)		Expected	Q2
Lift Station 5 Upgrades, Lift Station 6, Lift Station 8 Upgrades		Expected	Q3
Active Projects - Construction		Contract Award	Targeted Completion
152nd Avenue NE Improvements (24th Street to 28th Street)		Sep-22	Apr-24
Redmond Senior and Community Center Rebuild		Jun-22	Apr-24
Control System and Telemetry Upgrades Phase 2 and Phase 3		Jun-22	Feb-25
Cycle Track - 156th Avenue (NE 28th Street to 31st Street and 36th Street to 40th Street)		Jun-23	Jun-24
Electric Vehicle Charging Stations		Jul-23	Nov-24
Active Projects - Design		Design Start	Targeted Bid
10,000 Block of Avondale Rd. Erosion		Jul-19	Mar-24
Reservoir Park Sport Court Replacement & Water Tank Repairs		Dec-23	Mar-24
Reservoir Park Water Tank Repairs		Dec-23	Mar-24
Pavement Management - West Lake Sammamish Parkway (North of Marymoor to Leary Way)		Oct-23	Mar-24
NE 70th Street Improvements (Redmond Way to 180th Avenue NE)		Sep-22	Apr-24
Redmond Central Connector Phase 3		Jun-22	Jun-24
Evans Creek Relocation		Apr-19	Mar-25
Pavement Management - NE 24th Street (West Lake Sammamish Parkway to 172nd Avenue NE)		May-23	Nov-25
MOC Master Plan		Apr-23	2025
Projects Starting		Design Start	Targeted Bid
Hardscape Project - Grass Lawn Park Parking Lot Repairs		Jan-24	May-24
Fire Station 17 Siding Replacement		May-24	Oct-24
Lift Station Equipment Upgrades Phs 2		Mar-24	Oct-24
Hardscape Project - Meadow Park Sport Court Replacement		Feb-24	Dec-24
Sidewalk Repairs - 166th Ave NE, Avondale Way, and Cleveland St.		Mar-24	Oct-25
Bel-Red Road Buffered Bike Lanes		May-24	Jul-25
Pedestrian and Bicycle Access - NE 40th Street Shared Use Path (163rd Ave NE to 172nd)		Jun-24	Oct-25
Sidewalk Repair - 40th Street (162nd Avenue to Bel-Red Road)		Jun-24	Oct-25
156th Ave NE Shared Use Path		Sep-24	Jun-25
Stormwater Infrastructure Replacement Improvement Project #2 - Sunset Hills Landslide		Sep-24	Dec-25
Novelty Hill Advanced Metering Infrastructure		Oct-24	Aug-25
Pavement Management - Avondale Road (NE 90th Street to Novelty Hill Road)		Oct-24	Feb-27
Event Street Closure		Oct-24	Mar-25
Pavement Mgmt - 154th Ave NE (Redmond Way to 85th St.)		Nov-24	Mar-26
Willows Rd. Watermain Extension		Dec-24	Dec-25
Overlake Regional Stormwater Facilities Phs 3 (Sears Detention Vault Remote Valve Addition)		Dec-24	Dec-25
Programatic & Small Works Projects*			
Facilities ADA Improvements			
ADA Improvements - Transportation Curb and Ramps			
MOC Fuel Tank Removal			
Parks ADA Improvements - Parking Lots and Pathways			
Bridge Deck Overlay - NE 90th Street			

*Programatic projects and small works projects take place at various locations within the City. Schedules for these types of projects are often accelerated and/or do not follow a typical project schedule.



Memorandum

Date: 2/27/2024
Meeting of: City Council Study Session

File No. SS 24-008
Type: Study Session

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Financial Planning Manager
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TITLE:

2023 4th Quarter Financial Review, 2025-2026 Preliminary Forecast and Budget Process Update

OVERVIEW STATEMENT:

To update Council on the status of the city's financials through the 4th quarter of 2023 and provide an overview of the preliminary forecast for the upcoming 2025-2026 budget. Direction from Council will be helpful in preparing the final forecast. In addition, the proposed budget calendar and process for Council will be reviewed. Feedback will be sought to ensure the process will provide Council with the necessary information to prepare for budget decisions.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☒ **Provide Direction** ☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Discussion with Council will provide input needed to move forward with a revenue forecast and to complete the

planning process for the development of the 2025-2026 budget.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/a

BUDGET IMPACT:

Total Cost:
N/A

Approved in current biennial budget: ☐ Yes ☐ No ☒ N/A

Budget Offer Number:
N/A

Budget Priority:
N/A

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:
N/A

Funding source(s):
N/A

Budget/Funding Constraints:
N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
2/13/2024	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
3/12/2024	Committee of the Whole - Finance, Administration, and Communications	Receive Information

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

PowerPoint will be provided prior to Study Session



City of Redmond

15670 NE 85th Street
Redmond, WA

Memorandum

Date: 2/27/2024

Meeting of: City Council Study Session

File No. SS 24-078

Type: Study Session

Council Talk Time