



M E M O R A N D U M

DATE: July 21, 2021

TO: City Council

FROM: Carol Helland, Director
Beverly Mesa-Zendt, Deputy Director
Planning and Community Development

SUBJECT: **Staff Response to Applicant Letter dated July 12, 2021 (Attachment A)**

At the City Council meeting on July 13, 2021, the City Council asked that staff provide a response to the letter submitted by Pier 67 Capital Partners on July 12, 2021.

Because the proposal must meet all the criteria for approval identified in [RZC 21.76.070.9 Criteria for Evaluation and Action](#), staff has responded to the key objections that address the criteria with which the Planning Commission found the proposal to be inconsistent.

RZC 21.76.070.J.9 Criteria for Evaluation and Action Criterion b: *Consistency with the Comprehensive Plan policies and the designation criteria.*

RZC 21.76.070.J.9 Criteria for Evaluation and Action Criterion d: *Consistency with the preferred growth and development pattern of the Land Use Element of the Comprehensive Plan.*

Staff will focus on the key comments and arguments that address these two criteria that formed the basis for the Planning Commission denial.

APPLICANT COMMENTS AND STAFF RESPONSES:

Criterion b: Consistency with the Comprehensive Plan policies and the designation criteria.

The applicant makes the following assertions.

- A. *We disagree with staff's position that the Planning Commission's conclusions about our 2017/2018 proposal have any bearing on the present Application.*

Staff: The point in referencing previous staff reports is to demonstrate that staff have consistently maintained that all three designation criteria, identified in LU-36, must be satisfied to support a land use designation change and that these designation criteria have been applied to similarly situated properties consistently over time.

- B. *First, the 2018/2019 application (the current Application) and the 2017/2018 application are two different proposals. As summarized above, they are not the same for a number of reasons. The 2017/2018 application was a rezone. The current Application is not. The 2017/2018 application was not docketed. The current Application was.*

Staff: Staff recognize that the previous application was a land use designation change coupled with a rezone and this proposal is for a land use designation change only. Nevertheless, a land-use designation change compels a rezone in every case to ensure that consistency is maintained between the land use designation in the Comprehensive Plan and the zoning designation in the Redmond Zoning Code. The requirements set forth in the Growth Management Act (GMA), specifically RCW 36.70A.040, mandate that development regulations be consistent with the Comprehensive Plan. Failure to adhere to this consistency requirement creates a risk of appeal to the Growth Management Hearings Board and is one of the main reasons for the Board to invalidate legislative actions taken to amend a Comprehensive Plan.

- C. *Second, the Planning Commission's conclusions or findings regarding an unrelated, undocketed application has no bearing on the merits of what is in front of Council today.*

Staff: Staff agrees with this statement. However, staff would be remiss if we did not review any case that is similar and/or related to the proposal to gain greater insight and benefit from previous staff research and analysis.

- D. *Third, although the 2018/2019 application is being evaluated under today's standards, the City attempts to hamstring us on the basis of conclusions reached in 2017 on an unrelated proposal that is not before Council today.*

Staff: The staff analysis and Planning Commission recommendation are based on current staff review of RZC 21.76.070.J.9 Criteria for Evaluation and Action. The proposal fails to meet the designation criteria provided in LU-36 and policies N-EH-14 and N-EH-19 of the Neighborhoods Element.

- E. *Pier 67: The City continues to take the position that the Application should be denied because the site is not within Redmond's growth centers. Even if true, the site is "located near employment or commercial nodes", and that alone satisfies the requirement under LU-36. The site is within 1.1 miles of Downtown Redmond and is within 1,000 feet of commercial nodes and high-density residential zoning (R-18). The City fails to explain why this is not proximate enough. Near means proximate; it does not mean next to. For years, we and the City have gone back and forth about the definition of the word "near" and what constitutes "near" enough to justify approval under LU-36. For some reason, the City chooses not to define "near" in measurable terms, depriving us of the opportunity to meaningfully meet the requirements under LU-36. In insult to an otherwise (Sentence fragment per the applicant).*

Staff: Staff agrees that the three criteria set a high bar for a land use designation change. In discussions with the Planning Commission, staff has identified "near" as being within a half-mile walk, similar to our understanding of Puget Sound Regional Council guidance for transit-oriented development. The requirement identified in LU-36, that high density residential be in or near an Urban Center, demonstrates that the City's interpretation is consistent with the intent of the policy.

The nearest commercial node is a Neighborhood Center zoning district that is roughly a half mile from the northern property boundary. It is a commercial node intended to promote compatibility with the vicinity neighborhood character and to meet the daily needs of the neighborhood. It would not rise to the level of an employment node similar to other commercial and mixed-use districts which specifically identify employment as an intended use in the zone.

N-EH-14 Encourage a mix of housing types, styles and a range of choices, while maintaining the overall single-family character of established neighborhoods in Education Hill.
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- F. *We disagree with staff's conclusion that "the single-family character of the immediate area would be impacted." Not only is such a conclusion devoid of any specifics to even begin to explain how or why our proposal would adversely impact the area, the City fails to explain how an already approved use on the site would become somehow adverse. In Section 3 the City concluded: "The proposed change would provide additional density for an already approved use on the subject site." The City's response in Section*

3 contradicts their staff conclusion here.

Staff: Criterion (c) of [RZC 21.76.070.J.9 Criteria for Evaluation and Action](#) requires that a change of use not impact the city's capacity to meet other needed uses particularly housing. Staff's language referenced above, by the applicant, affirms that the proposed use would not impact capacity to meet housing objectives.

Criterion (b) requires compliance with Comprehensive Plan policies including N-EH-14 and N-EH-19. The East Subarea, of which the proposal is part, includes one multifamily parcel that is currently zoned R-12. However, the Pier 67 proposal would introduce the only Multifamily Urban designated parcels within the single-family portion of the East Subarea which would allow the site to be rezoned within the density range of R-12 to R-30. The subject parcels are surrounded by Single-Family Urban designated areas (R-4 to R-8) to the north and west and Single-Family Constrained (R-1 to R-3) designated parcels to the south.

N-EH-19 Require a minimum of 80 percent of the total dwelling units within the single-family portion of each residential subarea of the Education Hill Neighborhood to be detached single-family dwellings to maintain the primarily single-family detached character of the neighborhood. Require multiplex homes (specifically triplex and fourplexes on separate lots), and cottage housing developments to locate a minimum of 500 feet from any of the above-named residential units. Require duplex structures on separate lots to locate a minimum of 250 feet from each other.

G. We disagree. Staff incorrectly applies policy N-EH-19 as it relates to lots located west of Avondale Road in the Education Hill Neighborhood.

1. Staff refers to "single-family constrained lots located west of Avondale". But the site's current land use designation is Single-Family Urban and not Single-Family Constrained.1 Even if the staff analysis is correct, it does not apply to our site as the site's land use designation is not in a Single-Family Constrained area west of Avondale Road.

Staff: There are both Single-Family Constrained designated lots and Single-Family Urban designated lots west of Avondale within the East Subarea of Education Hill - including the subject parcels which are designated Single-Family Urban. Both these designations comprise the single-family portion of the East Subarea (see table below). N-EH-19 requires that a minimum of 80 percent of the total dwelling units, within the single-family portion of each residential subarea of the Education Hill Neighborhood, to be detached single-family dwellings. The parcel count, noted by staff as part of the single-family portion of the subarea which includes the subject parcels, falls under the following two land-use designations and zoning districts:

- Single-Family Constrained - R-3
- Single-Family Urban - R-4

Land Use Plan Map Designation	Consistent Zones
Single-Family Constrained	R-1, R-2, R-3
Single-Family Urban	R-4, R-5, R-6, R-8 and Residential Innovative (RIN)
Multifamily Urban	R-12, R-18, R-20, R-30
Neighborhood Commercial	NC-1, NC-2
General Commercial	General Commercial
Downtown Mixed-Use	Downtown Zones
Overlake Mixed-Use	Overlake Zones
Business Park	Business Park
Manufacturing Park	Manufacturing Park, Industry
Design District	Design District
Marymoor Design District	MDD1, MDD2, MDD3, MDD4, MDD5
Urban Recreation	Urban Recreation
Semirural	RA-5
Park and Open Space	All zones

2. Staff acknowledges that N-EH-19 only applies to “multi-plex” housing, which N-EH-19 “specifically [defines as] triplex and fourplexes on separate lots”. Staff’s suggestion that Council stretch the definition specifically applied to “triplex and fourplexes on separate lots” to all types of multifamily development is not what N-EH-19 intended and contravenes housing affordability goals of the City.

Staff: Although the policy specifically calls out multi-plex housing and not multifamily, the overall intent of the policy is “to maintain the primarily single-family detached character of the neighborhood,” with some allowance for multi-dwelling unit forms (specifically triplexes and fourplexes on separate lots). These small-scale multi-dwelling unit forms (triplexes and fourplexes) were identified by the policy as compatible with the single-family character of the neighborhood when certain separation conditions are met. By not mentioning multifamily uses in the policy, it demonstrates that those uses were not viewed as consistent with the vision of maintaining the primarily single-family detached character of the Education Hill Neighborhood. Additionally, this text also reflects current conditions which do not include multifamily uses within the land-use designated area.

FW-13 Ensure that the land use pattern in Redmond meets the following objectives:

- Provides for attractive, affordable, high quality and stable residential neighborhoods that include a variety of housing choices;
- Focuses and promotes office, housing and retail development in the Downtown and Overlake Urban Centers

APPLICANT COMMENTS AND STAFF RESPONSES:

Criterion d: Consistency with the preferred growth and development pattern of the Land Use Element of the Comprehensive Plan.

H. As Ordinance 2336 states, Avondale Crest only covered 2.85 acres—approximately half the site. A desire to focus housing in Urban Centers does not mean to the exclusion of all other areas in the City. The City has several policies in the RCP that encourage in-fill development where possible. LU- 36 provides that multifamily housing is appropriate in Urban Centers or in areas “near other employment and commercial nodes”. LU-36 does not require multifamily housing to only be in Urban Centers. The City fails to explain why that is their reading of LU-36

Staff: The proposal has the potential to introduce more housing variety into the Education Hill Neighborhood and would also introduce a higher density of housing than what has been currently allowed and historically contemplated for the site. Introducing the higher residential density permitted under the Multifamily Urban land use designation and corresponding zones should be considered against the policy calling for focused housing development in the Urban Centers. It is true that the Comprehensive Plan does provide a mechanism for introducing the higher residential density permitted under the Multifamily Urban land use designation and that the “litmus test” for that redesignation is found in the aforementioned LU-36 policy.

REDMOND 2050 CONSIDERATIONS

Comprehensive plans are the centerpiece of local planning efforts. A comprehensive plan articulates a series of goals, objectives, policies, actions, and standards that are intended to guide the day-to-day decisions of elected officials and local government staff <https://mrsc.org/Home/Explore-Topics/Planning/General-Planning-and-Growth-Management/Comprehensive-Planning.aspx>. Under the GMA, a local agency’s development regulations (such as zoning) and capital budget decisions *must* be made in conformity with its comprehensive plan (RCW 36.70A.120). Amendments to the plan, either through the annual docket or as part of a periodic review, should be coupled with

a robust public involvement program. Amendments that require changes to goals and policies should be reserved for a larger community conversation.

The Pier 67 proposal raises questions about appropriate levels of intensity in arterial corridors outside the Urban Centers and invites conversations about the relevance of long-standing neighborhood policies. Answering these questions impacts other choices and potentially limits opportunities to make different more intentional choices that recognize the tradeoffs in community priorities. These questions are part of the community discussion currently underway as part of Redmond 2050. Staff is asking the community to look at the previous vision and help the City determine:

- **Where growth should go. Should it remain Urban Center focused where transit, employment, and service opportunities are high or create a more dispersed modes to allow for more housing variety?**
- **How incentives can be used to invite more intense uses outside Urban Centers. Deeper and broader affordability? Ownership Opportunities? Missing middle housing? Sustainable building design? Senior Housing?**
- **How decisions on one element of the Plan are balanced against competing priorities. Impacts to transportation, Housing Variety, Equity?**

Moving the community vision from an Urban Centers (current community vision) focus to a more dispersed “hub and spoke” focus, while still advancing the PRSC goal of attracting 65% of the region’s residential growth into the Urban Centers, is part of what is being discussed by the community at this time. Redmond 2050 provides the appropriate forum for a conversation where all the factors can be considered and where desired outcomes can be realized.