

PLANNING BOARD MINUTES November 19, 2003

Chair Crim called the regular meeting of the Planning Board to order at 7:00 p.m. at City Hall.

BOARD MEMBERS PRESENT

Jim Crim, Chair
James Young, Vice Chair
Virginia Cassutt
Janice Freeman
Cary Guenther
Ronald Hopkins
Judith Works

BOARD MEMBERS ABSENT

John Dewhirst

STAFF PRESENT

Rob Chave, Planning Division Manager
Karin Noyes, Recorder

READING/APPROVAL OF MINUTES

The minutes of November 12, 2003 were not available for approval.

ANNOUNCEMENT OF AGENDA

There were no changes made to the proposed agenda.

REQUESTS FROM THE AUDIENCE

There was no one present in the audience.

DISCUSSION ON COMMERCIAL USES/OPTIONS FOR DOWNTOWN: DEVELOPMENT PATTERNS

Board Member Crim referred the Board to the maps provided in the Board's packets. He commented that the maps were of a size that made it easy for him to spread them out and read them.

Board Member Young reminded the Board that the purpose of the discussion was to prepare the vice chair and chair for their meeting with the Edmonds City Council Community and Development Services Committee on December 9th, at which this issue is scheduled for discussion.

Mr. Chave explained that the City Council understands that the Planning Board will be considering a ten-year update of the Comprehensive Plan during 2004. Because there has been discussion about possible significant changes in the downtown area, the City Council Committee felt it would be appropriate to discuss the issue with representatives from both the Planning Board and the Architectural Design Board. He noted that infill development is occurring quite a bit and people have expressed varying opinions about the design of the new developments over the past several years. The City Council Committee has expressed that they want to make sure the Planning Board is able to consider all of the issues as part of their Comprehensive Plan review.

Board Member Crim recalled that Mayor Haakenson recently asked staff to provide a presentation to review the past history of building design in Edmonds. This presentation was prepared by Steve Bullock and recently presented to both the City Council and the Planning Board. He reviewed that the Mayor's request was based on the fact that there is a lot of mixed-use development being constructed in which the first floor must be reserved for commercial use, and a significant amount of this space remains vacant. Many have questioned the need for the City to reevaluate the central business core and the BC zoning requirements.

Board Member Crim referred to an e-mail he received from Mr. Dewhirst regarding this issue, which pretty well articulates the issue and identifies the choices the Board has to consider. He said he anticipates that these issues will all be discussed at the City Council Community and Development Services Committee meeting on December 9th.

Board Member Young inquired if the discussion at the committee meeting will be from a global sense of economic development. Board Member Crim said the purpose of the committee meeting is to discuss the central business core, where it is going, and whether there are different advantageous things that could be done to address the problems.

Board Member Crim referred to the BC zoned areas on the map—particularly the area between Fifth Avenue and Main Street. He noted that on one side of this street is Petosa's. But on the other side is a mixed-use building that has had a lot of vacancy ever since it was built. On the other side of Holly Street a mixed-use building has been approved but not constructed because the owner of the property is also the owner of the building on Walnut Street that currently has a significant amount of vacancy in the commercial portion of the structure. He inquired if there is some way for the staff to measure the demand for commercial space in the downtown area. Mr. Chave said this effort would require someone who has expertise in doing market studies.

Board Member Cassutt pointed out that there is a lot of commercial space available in the City right now. In talking to business owners in the downtown area, she has learned that business is not all that good. As far as the existing business owners can tell, there isn't any need for additional business space at the present time. She noted that, at this time, two spaces in the A.G. Edwards Building are vacant. The two shops that were previously located in this building have gone out of business because it is not a good location for retail business uses. She said she believes there must be some way for the buildings to be constructed without requiring retail space on the lower level.

Mr. Chave reviewed that, over the years, staff has also heard the concern that the 30-foot minimum depth requirement for commercial space does not really work. Board Member Cassutt agreed because if a developer only develops commercial space to a depth of 30 feet, there would be no space for storage for potential businesses. Mr. Chave said a concern has also been expressed that developers are trying to build as little commercial space as possible in order to build as much residential space as possible because residential space sells better. He concluded that in some cases, the vacancies are related more to the quality of the spaces than they are to the market demand.

Mr. Chave said another problem is that developers are squeezing the height on the bottom floor to get an additional floor above for residential units. Traditionally, retail spaces have higher ceilings, but this is not the case with many of the newer developments. Therefore, the retail space is not as attractive to prospective business owners.

Board Member Freeman said that if the City were to increase the height requirements for the ground floor portion of a mixed-use development, they would have to adjust the height limit or the developer would be unable to build three floors. She suggested that, in the meantime, perhaps the vacant spaces could be converted into residential units. While this would not result in mixed-use development, she said she hates to see the space go unoccupied for long periods of time. Mr. Chave answered that it might be possible to convert the commercial space to residential space, but there are different building standards for commercial than for residential.

Board Member Works suggested that perhaps the empty spaces on the bottom floor might affect the sale of the condos above. Board Member Freeman agreed that the vacancies do lead one to wonder who will be responsible for caring for the building.

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Mr. Chave said another factor the Board should consider is that, traditionally, mixed-use development has been oriented towards pedestrian traffic. The City Council was thinking in terms of creating a central business district that would be much smaller than the current extent of the BC zone. For instance, should the area to the south of Walnut Street be linked to the main corridor? Another area that needs to be considered is the area surrounding the Edmonds Center for the Arts, which is currently in transition. He suggested that this area could provide opportunities for proactive planning and zoning to make the area different in character. Board Member Freeman inquired what the main route for access to the performing arts center would be. Mr. Chave answered that, as it currently stands, Third Avenue is a pretty high speed, high volume arterial. He said he believes that both Fourth and Fifth Avenues would provide a more pedestrian friendly route to the facility.

Board Member Young clarified that it is up to the Board to review this issue and determine whether or not there is sufficient demand for the commercial space to justify the requirements or if they are superfluous. If the Board were to recommend that the commercial requirement be removed from the code, they must talk about what the ground floor should be used for. He said that, in his mind, the City cannot allow the entire project be developed as condos and still call it part of the central business district. While eliminating the requirement of commercial on the ground floor might not be a bad idea, the Board must decide where the business area should be.

Board Member Cassutt suggested that the business core should be identified as the area between Walnut and Bell Streets. Any development within this business core should be required to provide commercial space on the ground floor. However, the areas that lie outside of the business core should not be required to provide commercial space.

Board Member Hopkins expressed his concern that there might be a future need for retail space in this area. However, if the properties are all built out as residential units, there would be no opportunity for future commercial development to occur. He questioned if there is any way to have a flexible zone to address this concern. Board Member Cassutt pointed out that in the 25 years she has had a business in Edmonds, these outlying areas have never been part of the downtown retail core because there is no pedestrian feeling. She suggested that there are plenty of other places in the City for people to develop commercial space.

Board Member Crim said the City of Redmond's code allows residential uses on the first floor, but the policy is flexible to allow these spaces to be converted into commercial uses if the market demand changes. Mr. Chave said Redmond also requires more height for the first floor of the structure in order to accommodate possible commercial uses in the future. Board Member Freeman suggested that it would also be appropriate to require some type of setback for these developments.

Board Member Crim said years ago his business used to have numerous employees, and he had to provide parking space for them. But with the advance of the computer, businesses no longer need people to work on site. People can now work out of their residence or from a smaller office. This could very easily have an impact on the market demand for the commercial space that is already available. He said he agrees that perhaps the properties that are located outside of the central business core should have a different type of zoning.

Board Member Freeman agreed. She said that, as you move away from the central business core, the zoning should be of a transitional nature to allow offices, residential, etc. However, before creating a new zone, it would be important to sort out the difference between retail and office commercial space. She suggested that the City should try to concentrate the shops around the fountain and where the walking traffic is.

Board Member Hopkins said that something that makes Edmonds different from other cities of the same size is that the downtown businesses sell retail products rather than just services. He said he believes the City should protect this character because it will become even more unique than it is already.

Board Member Guenther suggested that perhaps when the decision was made to require commercial space on the ground floor, the vision was that the City wanted to see commercial space in the downtown area. But because of the building height limit, they have ended up with too much commercial space in the mix. When comparing Edmonds to Kirkland, their residential structures are very tall, which allows for a lot of residential development. He asked if there is a way to identify the square footage of commercial space compared to residential space in downtown Edmonds.

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Board Member Young inquired if the idea behind the requirement for non-residential uses on the first floor was to provide some kind of economic stimulus by creating adequate commercial space to serve the needs of the residents living in the downtown area. Mr. Chave said much of the idea behind the commercial requirement was to protect and encourage the development of a traditional downtown with a retail corridor. He suggested that perhaps this concept came out of the Main Street Program that was done in the 70's. This program was oriented towards design, business promotion, and development. It was aimed more at what the downtown should look like and what its current function was. He said he believes that some of the City's downtown regulations came out of that process.

Board Member Cassutt said she believes the downtown core is basically Main Street and Fifth Avenue. Businesses that have tried to locate elsewhere in the downtown area have generally been unsuccessful.

Board Member Young suggested that perhaps the Board should start their discussion from the premise that the requirement for commercial space on the ground floor has ended up being a failed policy. Rather than considering the requirement a failed policy, Mr. Chave suggested that perhaps the requirement was applied to too large of an area. Board Member Young agreed.

Mr. Chave suggested that as some of the outlying properties in the downtown area are redeveloped with residential uses, the City might end up seeing an increased demand for commercial development. Right now, the demand seems to be for residential units, but that is not necessarily where the demand will be 20 years from now.

Board Member Crim said that is why he believes some type of alternate zone between the BC and RM zones would be appropriate. This alternate zone could allow some opportunity for property owners to convert residential units that are on the ground floor to commercial units if the demand is present for more commercial space. Board Member Freeman agreed that an alternative zone would be appropriate rather than making all of the outlying areas part of the RM zone. The alternative zone should act as a transition zone to clearly identify the areas where flexibility would be allowed. The remainder of the Board agreed that an alternate zone should be created that would allow residential development now, with an opportunity to convert the ground floor to commercial if there is a demand.

The Board briefly discussed that the Edmonds Alliance for Economic Development Organization would be dissolved at the end of 2003, and the Mayor has recommended that the City create a new economic development position as part of the Mayor's Office. Board Member Works inquired if the new economic development position that has been proposed by the Mayor would help to fill up some of the vacant commercial space in the downtown area. Mr. Chave answered that this would not be likely. He said most of their efforts would be focused on economic development along Highway 99.

Board Member Young suggested that it is up to the Board to try and frame the discussion as to where the boundaries of the BC zone should be and whether or not there should be two separate districts—one that would allow more flexibility.

The Board discussed the idea of increasing the building heights in the mixed-use core, which was identified as the area between Dayton and Bell Streets, west of Fifth Avenue. Mr. Chave suggested that in the core mixed-use zone, commercial height could be required for the first floor. However, the Board must consider how this would affect the views. Board Member Guenther expressed his preference that the business core be spread out over a larger area rather than bunched together into one area. However, this has tended to create a lot of unwanted commercial space. Mr. Chave said the City Council has previously discussed the option of making the area along Fifth Avenue and Walnut Street commercial space only rather than mixed use. Board Member Crim pointed out that, according to the Comprehensive Plan, the mixed-use zone can go all the way to Edmonds Street, which appears to be at least one block too far.

Mr. Chave noted that the BC zone allows development to occur property line to property line, and the Board should consider if that is the type of development they want to occur further away from the central business district. The Board agreed that this is an important issue to discuss.

Mr. Chave said the Board could also analyze the option of not allowing commercial uses that are service oriented. Perhaps they should reevaluate the traditional BC zone and require offices that are located within this zone to have customer service. This would ensure that people would continue to have a reason to come to the downtown. Board Member Freeman agreed.

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She also said it is important to make sure that businesses such as Petosa's are allowed to continue since they provide essential services in the downtown area.

Board Member Hopkins said the concern about having excess commercial space has been around for a long time. In Seattle, it started with the economic downturn that began in 2000. Board Member Cassutt suggested that the problem in Edmonds has nothing to do with the economic downturn, since the problem existed during the boom years. Board Member Young said this is a prima-facie case where something needs to be done about the first floor being required to be something that there is no demand for.

Board Member Young asked that staff briefly describe how the public process for the Comprehensive Plan review would work. Mr. Chave replied that during the first part of 2004, the Board and staff would launch into studies—particularly related to critical areas. There is one big issue regarding the RS-12 and RS-20 zoned properties and how they related to the critical areas and protection of natural areas. In addition, the Board and staff would focus on two activity centers: the downtown and Highway 99. This discussion, combined with the City Council's direction in December, will become part of the process. The other area that could be explored is the option of increasing the height limits in areas that are outside of the view sensitive areas. While it might make sense to restrict the height in the downtown area, there is not as much need to protect views in many of the other areas in the City. He said that, in his experience, changing the height limit from 30 to 35 feet would be significant. Thirty feet allows for a shabby pitched roof or a flat roof only or one less floor.

Mr. Chave referred to the process that was used in 1995 when the Board reviewed the Comprehensive Plan. Several open houses and workshops were held early in the process to provide an opportunity for the Planning Board to explain the current plan and present some of their ideas. He suggested that the Board use a similar process for their 2004 review. This process allows the Board to obtain public feedback before they start to draft policies or changes. He also recalled that in 1995, staff provided pictures of different design types and styles for the public to comment on. He said it has been staff's experience that the public tends to react favorably to good design. He said it was interesting that the multi-family developments that more closely resembled single-family development were looked upon more favorably by the public.

Board Member Freeman suggested that if the Board is going to consider changes in the building height limit for specific areas in the City, they should carefully identify where these areas would be located so the public does not become unduly concerned.

Board Member Young said the process described by Mr. Chave is similar to the process being used by the Highway 99 Task Force. He suggested that, at some point in the process, the Board should specifically invite participation by the Chamber of Commerce and other groups within the City. He said he would like feedback from someone in the public who has expertise to back the Board's statement that there is no demand for additional commercial space at this time.

Mr. Chave said staff would likely recommend that a task force be formed consisting of representatives from various interest groups. This group could be used for a sounding board during the stage of generating options prior to drafting an ordinance and holding public hearings.

Board Member Crim summarized that the Board is, generally, in favor of an alternative zone, with side and front setbacks, for the area between Bell and Edmonds Streets. However, he suggested that staff solicit input from the Public Facilities District about what they would like to see around the performing arts center. He said another thing that is not often understood by the public is that the area along Homeland Drive between Walnut Street and Fifth Avenue is zoned as single-family because of covenants that are part of the Homeland Drive Development, which do not allow commercial uses. He suggested that this whole area should be reevaluated. The west side of Fifth Avenue is developed as solid commercial, but the east side is not. Board Member Cassutt added that property owners have had a difficult time keeping the commercial space on the west side of Fifth Avenue full, too. She said that once you get past Old Mill Town, that is about the end of the retail commercial core.

Mr. Chave reminded the Board that two members of the Board have been invited to participate in a City Council Community and Development Services Committee Meeting on December 9th. The rest of the Board is invited to attend, but not

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participate. He referred to the brief minutes that were provided from the last committee meeting to give the Board an idea of what would be discussed at the December 9th meeting.

Board Member Young said that, based on the Board's discussion, he would go to the meeting with the message that the City Council needs to provide insight as to how they think the transition of the downtown area might be implemented. He said he would suggest that key participants in the discussion should include representatives from the Chamber of Commerce, the Public Facilities District and the Port of Edmonds.

Board Member Crim emphasized that the Board operates at the pleasure of the City Council. He suggested that at the December 9th meeting, it is important for the Board representatives to seek direction from the City Council as to what they would like the Board to consider. Then it is up to the Board to decide how to implement the City Council's direction. He said he recently spoke with Council Member Marin, who participates on the Community and Development Services Committee. He said the reason the committee wanted to have representatives from the Planning Board and the Architectural Design Board attend the meeting is so they could hear the rest of the discussion that did not get included in their brief minutes. Mr. Chave said the staff would also provide the committee with a copy of the Board's minutes from tonight's discussion. He advised that the committee meeting is scheduled to start at 7:45 p.m., and he would expect this discussion to be first on the agenda after the public hearings that are scheduled.

Board Member Works inquired if there is any way to factor in the residential development that would be built south of Walnut Street. Mr. Chave said this would involve a market study of some type. Perhaps staff could bring out the downtown plan that was done ten years ago to provide some insight. Board Member Works said this large number of dwelling units (200) could have a significant impact on the downtown commercial area.

Board Member Crim referred to the memorandum from Board Member Dewhirst and said he agrees that the Board needs to consider the parking issue as part of their discussion. People living in these new residential units will not likely be walking to the City's commercial centers, and the appropriate level of parking must be provided to allow them to drive downtown and park. Board Member Cassutt said the problem with parking is getting employees who work in the businesses along Fifth and Main to park somewhere else so that the spaces can be freed up for customers. Board Member Young agreed that this is a problem, but he suggested that it should be dealt with by the downtown business owners rather than the City. Board Member Cassutt agreed. She said that while the recent parking study indicated that there is plenty of parking on Fifth and Main Streets, that is not really true because the spaces are taken up by people who work in the businesses in the area. Mr. Chave suggested that perhaps there could be different parking schemes and requirements depending upon the goals for the particular zone and location.

DISCUSSION ON COMMERCIAL USES/OPTIONS FOR DOWNTOWN: DESIGN ISSUES

Mr. Chave said this issue has been discussed by the City Council, the Architectural Design Board, and the Planning Board on numerous occasions. At the request of the Mayor, staff provided a presentation to the City Council and the Planning Board related to designs and height. He noted that staff provided excerpts from the draft design guidelines concerning building form, excerpts from the development code concerning the BC zone, and City Council minutes from meetings at which this issue was discussed. In addition, staff provided excerpts from Mr. Bullock's presentation on building heights, including pictures of the more recent buildings.

Board Member Cassutt inquired if the City Council plans to take up the Design Guidelines after the first of the year. Mr. Chave said he does not know. Board Member Crim said the design guidelines must go through the City Council Community and Development Services Committee before going before the full City Council for review.

Mr. Chave referred to the pictures provided by staff from Mr. Bullock's presentation. He noted that buildings constructed between 1981 and 1996 are substantially different than those that were built in the late 90's. They have a lot more going on with facades and materials. He said that questions about how the code and the design guidelines deal with the shape and roof designs for buildings are starting to come to light.

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Mr. Chave referred to the pictures on Page 5. The pink building was the first one built using the new code requirements for modulated roof design. The next project was the SPEE building, which went through a long process before finally receiving approval. It actually went before the City Council on an appeal of the Architectural Design Board's decision. The City Council approved the project as a modulated design under the code. The façade moves back and forth and then up above and behind the façade the roof is all flat, but on three different plains. In this case there was some variation in height of the roof combined with façade modulation.

Mr. Chave said the next building that went through in this program was on Fifth and Walnut, which was approved at the Architectural Design Board level. The façade moves back and forth and goes up and down, but the entire roof behind that is one flat plain. However, it appears to be a modulated design. Next, he referred to the most recent development, which is opposite of the public safety complex. This project was remanded back to the Architectural Design Board by the City Council. Now the top of the façade and the roof are one flat plain. There is a lot going on with the façade as far as modulation and materials. The parapet is above the roof height, but the roof behind it is entirely flat and the parapet is essential on line.

Mr. Chave said the question has been asked if this design was really what was intended when the code was drafted. Board Member Crim said what the Board put in the design guidelines is different than what would be allowed now. The proposed design guidelines make it clear that the Board hoped for a modulated roof, as well as a modulated façade. Board Member Guenther expressed his opinion that since no one would be able to see the top of the building, changing the building height is ridiculous and leads to problems with leaks, etc.

Mr. Chave referred to Page 33 of the draft design guidelines document, which addresses flat, sloped, terraced and vaulted roof designs. Depending on the option used, different things are required. The guidelines are not dissimilar to how the Architectural Design Board has been dealing with building designs for the past several years. He said that the code gives very little guidance on this issue. It is important to keep this in mind when talking about use areas because there is a strong connection between use, height, design, etc. He said he expects that the Board will have to revisit the design guidelines depending on what they come up with for the uses in the downtown area. Board Member Crim said if they were to create a new zone in the downtown area, they would have to provide new guidelines to address the new zone. Board Member Young said that when they redo the Comprehensive Plan, they would have to look at the underlying zoning ordinance and the design guidelines. Mr. Chave agreed and said they could incorporate some of the design guidelines as policy statements in the Comprehensive Plan. They could start by using the objectives and then providing more guidance as to the design parameters they are looking for.

Board Member Crim said one key ingredient to this effort is the issue of setback requirements. Board Member Freeman said setbacks would improve the character of the neighborhood. Board Member Crim agreed that is one of the key visual characteristics that will probably get people's attention more than anything else. The fact that development is built lot line to lot line in the BC zone tends to get people concerned. This issue must be addressed if they want to create a transition zone between the BC and residential zones.

Board Member Freeman noted that the units in the new building on Fifth and Walnut do not appear to be selling. Board Members Cassutt and Freeman agreed that perhaps the reason the units are not selling is that the price is too high for what the development has to offer. Board Member Crim agreed that while the quality of the development is good, perhaps the price is too high.

Board Member Crim suggested that the Board should keep the information they received from staff as background information. They should also keep tonight's discussion in their minds as they review the Comprehensive Plan next year.

Board Member Freeman inquired if anyone has any facts or figures on the vacancy rates and how long the spaces have been vacant. Mr. Chave said he does not. Board Member Guenther suggested that perhaps the staff could talk with real estate agents who deal with commercial properties to find out this information. Mr. Chave agreed that a real estate agent could provide this information, but it is generally not segregated by area. Board Member Crim suggested that staff contact the local real estate agencies to find out what vacancies they have in the downtown area now.

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REVIEW OF EXTENDED AGENDA

Mr. Chave advised that at the December 10, 2003 meeting, the Board would review the Comprehensive Plan Project that is scheduled for 2004. In addition, the Board should elect new officers for 2004.

Board Member Crim indicated that he would not be available to be the chair of the Board next year because of other responsibilities he will have.

PLANNING BOARD CHAIR COMMENTS

Board Member Crim provided no additional comments during this portion of the meeting.

PLANNING BOARD MEMBER COMMENTS

Board Member Works said she has not been receiving copies of the City Council and Architectural Design Board minutes lately. She said she would like to have these included in her packet. Board Member Freeman said she hasn't been getting them either. Board Member Young recalled that they made the decision to get the minutes on line. Mr. Chave said he would check on the current status of the distribution of minutes.

Board Member Young announced that the November and December meetings of the Highway 99 Task Force have been cancelled. He reported that the task force is still trying to gather information and decide what they want to do with it. City Council Member Marin expressed a need for money from the City Council Contingency Fund, but this request was not well received by the City Council.

Mr. Chave reported that the City Council voted 4-3 to deny the Comprehensive Plan amendment submitted by Ms. Mantooth. The other Comprehensive Plan Map amendments were accepted by the City Council as recommended by the Board. He advised that the new 2003 Comprehensive Plan would be available by January.

THE MEETING WAS ADJOURNED AT 8:30 P.M.

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