

PLANNING BOARD MINUTES December 15, 2004

Chair Young called the regular meeting of the Planning Board to order at 7:00 p.m. in the Council Chambers, Public Safety Complex, 250 – 5th Avenue North.

BOARD MEMBERS PRESENT

James Young, Chair
Janice Freeman, Vice Chair

Jim Crim
Virginia Cassutt
John Dewhirst
Judith Works
Don Henderson

BOARD MEMBERS ABSENT

Cary Guenther

STAFF PRESENT

Rob Chave, Planning Division Manager
Jennifer Gerend, Economic Development
Director
Duane Bowman, Development Services Director
Karin Noyes, Recorder

Board Member Guenther was excused from the meeting.

READING/APPROVAL OF MINUTES

BOARD MEMBER DEWHIRST MOVED THAT THE BOARD APPROVE THE MINUTES OF DECEMBER 1, 2004 AS CORRECTED. BOARD MEMBER CRIM SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ANNOUNCEMENT OF AGENDA

There were no changes made to the proposed agenda.

AUDIENCE COMMENTS

Don Kreiman, 24006 – 95th Place West, pointed out that this is the last meeting of a long and hard, but very productive year for the Board. He said he appreciates the process the Board followed when reviewing the new parking requirements. After listening to everyone and taking the time to determine the facts, the Board was able to come up with a good recommendation, which the City Council unanimously approved. The same was true with the complicated issue of the Critical Areas Ordinance. He was impressed that with the consultants, the public workshops, the public testimony and the Board's deliberations, they were able to sort the issue out. And the Board's recommendation was approved by the City Council with only minor alterations.

Mr. Kreiman said that when the Board started work on the Comprehensive Plan update he was skeptical about them being able to get it done. But after considering what the experts had to say, listening to all of the public testimony, and deliberating amongst themselves, the Board was able to create a plan that will keep all of Edmonds a vital community. He summarized that it has been a long year, and it is important for everyone to recognize the contribution each of the Board Members made to the process. He thanked them for all of their hard work.

PUBLIC HEARING ON 2004 COMPREHENSIVE PLAN CHANGES (FILE NUMBER CDC-04-23)

Mr. Chave provided a brief overview of the proposed 2004 Comprehensive Plan Update. He announced that the Planning Board has held several previous public hearings on this issue and this would likely be the last before the issue is forwarded to the City Council. However, the City Council would also hold at least one public hearing on the proposed update. He advised that the proposed Comprehensive Plan Update is comprised of seven different elements: land use, community culture and urban design, utilities, capital facilities, housing, transportation and parks, recreation and open space. Within each of these elements are general goals and policies for each. In addition, there are specific plans that were adopted into the Comprehensive Plan such as master plans for various parks, the hospital area and the high schools. There are street tree plans, sewer and water plans, bike and walkway plans, etc. Also included is the Downtown Waterfront Plan, which is a separate document that will become part of the land use element of the Comprehensive Plan.

Mr. Chave said the proposed Comprehensive Plan update includes the adoption of a new growth population target for the City of 44,880 by the year 2025, which represents an increase of just under one percent per year. In addition, the updated land use map shows single-family urban and single-family resource designations, where as the current map identifies these areas as either single-family small lot or single-family large lot. He explained that as part of the Critical Areas Ordinance update, the Board was required to review the zoning patterns to see how they fit with the critical areas inventory. He further explained that the Growth Management Act (GMA) requires the City to have urban densities in urban areas and the Board has determined that there is about 500 acres of RS-12 zoning that is potentially going to have to change. He said it appears the Board will recommend a change to the urban designation for these properties and then actually make the specific zoning change in 2005. While the current RS-12 designation would not meet the State requirement of four units per acre, a new RS-10 zoning designation would.

Mr. Chave said the Board also reviewed the City's essential public facilities policies. He recalled that the City Council adopted an ordinance that laid out the policy direction for essential public facilities earlier in the year. They determined that while the City cannot preclude essential public facilities, they should be able to mitigate the impacts through the conditional use process.

Mr. Chave advised that the Board is also considering proposed updates to the Highway 99 policies. He reported that a Highway 99 Task Force was created and a market analysis of the Task Force's recommendations was completed. The goal was to enhance development along Highway 99 by creating some focus areas.

Mr. Chave reported that the Planning Board also worked on the creation of a design guidelines document, but it has not been adopted by the City Council yet. Therefore, the Board is proposing to include the objectives from the draft design guidelines in the Comprehensive Plan so that general policy direction for design would be available to guide decision making in the City until the City Council approves a specific set of design guidelines.

Mr. Chave referred to the proposed update to the Downtown Waterfront Plan, and said it is important to understand that the Board is proposing to include this plan in the land use section of the Comprehensive Plan rather than having it remain as a stand alone document.

Mr. Chave used a map to identify the City's BC zone, which is normally considered to be the downtown commercial core. He said it is important to understand that building heights in the downtown have been a subject of interest for a number of years and have changed quite a bit. He reviewed that prior to 1956, there were no height limits for the downtown area, and the first height limits were established in 1956 at 45 feet. The height limit was reduced to 35 feet in 1964 and to 25 feet plus an additional five feet for a pitched roof in 1980. Since 1980, the code has been modified somewhat so allow a 25-foot height limit, with an additional five feet with roof or building modulation. He provided photographs of buildings that were built during each of these time periods.

Mr. Chave provided a graph to illustrate the past development trends. He noted that until the early 1990's, there was very little new residential development in the downtown, even though this area was theoretically identified as mixed-use zoning, which allows both residential and commercial development. From the early 1990's to the present, the amount of new

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residential development has become equal to that of commercial development in the downtown, which means the City is finally achieving the mixed-use concept.

Next, Mr. Chave displayed a graph showing the historic floor area ratio. He explained that a one-story building that is built lot-line-to-lot-line would have a floor area ratio of 1:1. If this same building were two stories, the floor area ratio would be 2:1. He noted that there is a huge variety in floor area ratios throughout the City because all buildings are different. While there has been a steady increase in the floor area ratio over the last 15 years, this is beginning to taper off. Right now, the City's floor area ratio for the BC zone is about 2.5:1, and it does not appear the City will ever reach a building ratio of 3:1.

Mr. Chave advised that early in 2004 the Board started their review of all the various issues related to the Downtown Waterfront Plan, and they established subcommittees to review the existing plan. They were also cognizant that there were a number of issues going on in the downtown that needed to be addressed, such as the ferry relocation, the new Center for the Arts, and walkway and waterfront improvements, etc. These issues also had to be acknowledged in the plan update. In addition, the Board was hearing feedback from the City Council, residents and the business community that there was dissatisfaction about the general appearance of the new buildings that were being constructed, particularly those with sunken first floor retail space. The Board understood the importance of figuring out why this type of development was occurring. He provided pictures of some of the recent new construction in the downtown area that has an entrance that is below street level. He said the Board agreed that this is not the type of development that should occur in the City.

Mr. Chave said that, as part of the Board's review, they also reviewed development trends from around the country and region. They attended conferences and reviewed reports, etc. They found a number of trends that were important to understand such as:

- 65 percent of retail sales occur in discount stores.
- 70 percent of retail sales in America are made after 5:30 p.m. and on the weekends. Stores that close early tend to struggle.
- Residents are moving into town centers in downtown areas.
- The average family size is getting smaller.
- More people are working from home.
- Housing development supports retail development.

Mr. Chave advised that the Board reviewed a number of proposals related to the concept of town centers and trying to maximize pedestrian access, promote development densities, develop a strong commercial core, plan and manage parking activities, provide and promote incentives for infill, etc. The Board also reviewed data related to the concept of pedestrian or human scale. He noted that the existing Comprehensive Plan talks about having a pedestrian environment in the downtown. He provided an illustration that appears in numerous planning literature documents. He said that the illustration talks about the relationship of buildings that are located next to the sidewalk to the overall right-of-way. He explained that, generally speaking, experts in the planning and development field find that an appropriate ratio of right-of-way to adjacent building height is between 1:3 or 1:2. Anything between this amount is considered to be at the appropriate pedestrian or human scale. This means that with a 60-foot right-of-way, a building that is located right against the right-of-way should be between 20 and 30 feet in height, not including the eaves.

Mr. Chave reported that the issue of downtown design came up over and over again as a critical concern. He said it is one thing to talk about the height of buildings and their relationship to the streetscape, but the streetscape, itself, is also an important element to consider. He suggested that people rarely recognize how tall a building is, but they notice what is happening on the first floor of the building at the pedestrian level. The Planning Board felt it was important for the Downtown Waterfront Plan to focus on design and amenities, which are critical to the character of the downtown.

Mr. Chave reviewed a diagram that was sketched by an architect to show the interaction of overall building height with the first floor. He advised that from this diagram, the Planning Board concluded that if the City were to allow three-story buildings, the building height should be at least 33 feet. A little higher would be ideal, but given the view issues involved in the downtown, they felt that 33 feet would be the minimum workable height. The Planning Board also indicated support of a minimum 12-foot ceiling height requirement for the first floor commercial space. To confirm these two concepts, Mr. Chave

reported that the City hired a consultant, Heartland, LLC, who are experts in the real estate field, to do a market analysis of the downtown and review the concepts being considered by the Board. They reached the following conclusions:

- Condominium sales drive the financial performance of mixed-use projects. The reason mixed-use buildings are constructed is for the residential space.
- Values associated with ground floor commercial uses are less significant. If a project can get two floors of residential use above the commercial space, the developer typically doesn't care if the retail space is even leased.
- Eliminating the opportunity to construct a third story would make mixed-use development unfeasible.
- While an upper level setback requirement would have an impact on the bottom line of the development, it would not impact whether or not mixed-use development would be feasible. A minimal setback would not make a project unfeasible.
- Maintenance and minor renovation of existing buildings by owners of high-quality retail structures would provide a better return than redevelopment. The consultant found that the rents and retail revenue from successful retail operations priced redevelopment out of the market. The implication is that even if some changes are made to the downtown to allow three-story buildings, a lot of the downtown space would simply not be redeveloped.
- Acquisition and reuse of the existing structures is feasible, but less likely to occur given redevelopment values.
- New single-story retail construction could not compete with mixed-use development. If the height limit were reduced to 25 feet, new construction would not be allowed to have two stories of residential units. This would result in no new mixed-use buildings being constructed in the City.

Mr. Chave reported that the consultant also reviewed the Harbor Square and Antique Mall sites and determined that no significant redevelopment was likely to occur on either site with the existing zoning regulations. But if the City were to consider a master plan redevelopment, particularly if the two properties were combined, something might be able to happen. The consultant recommended that some sort of height averaging concept would be appropriate for these sites. While the 30 or 33-foot height limit would be maintained for the overall project, perhaps some portions of the project could be allowed a greater height in exchange for lower heights in areas where views would be more seriously impacted. However, this issue would be resolved if and when a master plan for these sites is ever considered. The Downtown Waterfront Plan would not dictate what the final master plan should be.

Mr. Chave advised that as the Board considered the concept of requiring a minimum ceiling height for first floor commercial space, they considered the idea of requiring one foot of additional building setback for each additional foot of height up to a total height limit of 33 feet. This could ultimately result in three additional feet of right-of-way to expand the sidewalk width. He noted that sidewalks in the downtown area are very narrow, and this concept would provide an opportunity for the City to reclaim sidewalk right-of-way to eventually correct the problem. If buildings were setback three feet on both sides of the street, the resulting pedestrian scale ratio would be one foot of building height for every two feet of right-of-way width.

Mr. Chave reported that as the Board reviewed the entire BC area, they arrived at the concept of breaking the BC zone into a series of districts as follow:

- **Fountain Square:** The area immediately surrounding the fountain at 5th and Main Street. Building heights would be limited to 30 feet, with the first floor required to be a minimum of 12 feet in height. The entry would have to be situated at street level. All uses would have to be retail compatible.
- **Arts Center Corridor:** The corridor along 4th Avenue North between the retail core and the Edmonds Center for the Performing Arts. The first floor would be required to have a minimum 12-foot ceiling height to accommodate commercial uses, with commercial entries being at street level. Buildings would have to be set back at least five feet from the front property line, and any building higher than 30 feet must provide an additional foot of setback for each additional foot in height. The maximum height allowed would be 33 feet.

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- **Downtown Mixed Commercial:** The first floor would be required to be a minimum of 12 feet in height to accommodate retail and other commercial uses, with commercial entries at the street level. Any building higher than 30 feet in height, up to a maximum of 33 feet in height, must be set back one foot for each additional foot of building height.
- **Downtown Mixed Residential:** In this area, commercial uses would be allowed but not required. The one-foot-of-height-for-one-foot-of-setback tradeoff would still apply, and the building height would be a maximum of 33 feet.
- **Downtown Master Plan:** The properties between SR-104 and the railroad tracks, including Harbor Square, the Edmonds Shopping Center and extending past the commuter rail parking area up to Main Street. This area is appropriate for master planned development, which provides for a mix of uses and takes advantage of its strategic location between the waterfront and the downtown. The location of existing taller buildings on the waterfront and the site's situation at the bottom of "the bowl" could enable a design that provides for an average height of development which locates higher buildings outside current view corridors and within the shadow of existing taller buildings.
- **Shoreline Commercial:** The waterfront, west of the railroad tracks between the public beaches and the Port. Consistent with the City's Shoreline Master Program, this area should allow a mix of public uses, supporting commercial uses, and water-oriented and water-dependent uses. Building heights should remain at 30 feet, with an opportunity to exchange increased side setbacks, which enhance public view corridors, for additional height up to a maximum height of 33 feet.
- **Downtown Convenience Commercial:** This is the south end of 5th Avenue, South of Walnut. Commercial uses would be required on the first floor, but auto-oriented uses would be permitted in addition to general retail and service uses. The same height limit and front setback requirements as those proposed for the Downtown Mixed Commercial District would apply.
- **Planned Residential/Office:** Several properties lie along the railroad tracks on the west side of Sunset Avenue between existing commercial zoning and Edmonds Street. This area is appropriate for master planned development which provides for a mix of small-scale office and residential uses that would provide a transition from the more intensive commercial uses along Main Street and the residential uses along Sunset Avenue. Any planned uses of these properties would be subject to height and bulk limitations that will provide compatibility to surrounding uses. The height would be limited to no more than 25 feet above street/sidewalk level, and setbacks would be required to provide view corridors through the property to Puget Sound.

Mr. Chave referred to the red dotted line on the map, which depicts the current BC zone boundaries. He noted that there would be very little change to this boundary. The only minor change would be in the Arts Corridor District, but that is because the Board is attempting to connect the downtown and the Arts Center together along 4th Avenue. He emphasized that there would be no change to the extent of the traditional downtown.

Chair Young recalled that Mr. Chave referred earlier to the GMA requirements regarding population growth. He asked Mr. Chave to provide more information about the connection between the GMA mandate and some of the concepts the Board is considering as part of the Downtown Waterfront Plan. Mr. Chave explained that when the City's first Comprehensive Plan was adopted in 1995, the City was required to accommodate a growth target. At that time, the City Council determined that since the City is already mostly developed, it seemed wrong to identify large areas for intensification of uses within the residential zones. The City Council decided that the best approach would be to target infill development in areas that could better accommodate it. One area identified for the additional growth was the Highway 99/Hospital area. The other was the downtown core because of the mixed-use zoning that already existed for these properties. It was clear that more than half of the buildings in the downtown were still developed as one story, and there was sufficient capacity to accommodate additional growth. The conclusion of the City Council was that the City should encourage infill development in the downtown to meet the GMA requirements and at the same time provide more patronage for the downtown businesses.

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Chair Young briefly reviewed the rules and procedures for the public hearing and then opened the meeting for public comments.

Bill Curran, 626 Main Street, asked staff to elaborate on the parking requirements for new development. Mr. Chave explained that any new development would have to meet the code requirements for parking. The City revised their parking regulations recently to be more flexible for existing buildings, but new buildings are still required to meet the parking requirements. For commercial development, the code requires one parking space for every 500 square square feet of floor area. There are also parking requirements for residential development. If a new business were to locate in an existing building, they would receive a break from the parking requirements, and this provision is aimed at encouraging the existing buildings to remain.

Mr. Chave referred the Board to the following letters that were received by the City after the Planning Board packets had already been sent out. They were from Edmond Lee, CEO for the Hotel Group; Michael Young, resident and merchant in the downtown; and Doug Dewar, a commercial enterpriser and resident of Edmonds.

Chris Keuss, Executive Director of the Port of Edmonds, 336 Admiral Way, said his comments would be related to the proposed update to the Downtown Waterfront Plan. He explained that the Port Commission held a meeting on December 6th to discuss the proposed document. A follow-up meeting was held with Port Commissioner Burkhart, Port Commissioner Block, Mr. Chave, Mr. Clifton, and himself to further discuss the Port's issues of concern. He advised that Mr. Chave has acknowledged that there are some things that could possibly be addressed in a future review of the document. He briefly reviewed each of the Port's concerns and recommendations as follows:

- Because the Port Commission believes the Downtown Waterfront Plan implies that there would be a connection between the uplands Point Edmonds development and the waterfront, they feel it is important to include specific language in the plan to make this clear. Language to the effect that the City would explore and implement a pedestrian and bicycle over-crossing from the upland Point Edmonds development to the waterfront. This could be done as part of Item A on Page 1 by adding it as part of the second bullet. It could also be added to Item C on Page 2 as part of the first bullet, on Page 3 as part of the Edmonds Crossing Project description, on Page 7 as a separate item in the list of short-term actions and on Page 8 as a separate item on the list of long-term actions.
- The Commission has requested that the language in the fourth bullet in Item A on Page 1 should be revised to read, "Public access to the water and the natural beauty of the waterfront figures in the Port of Edmonds plans including new plazas, walkways and public art."
- The Commission recommends that the first bullet in Item B on Page 1 should be changed to read, "Explore redevelopment of existing holding lanes and SR-104 between Dayton Street and Main Street."
- The Commission has requested that the Downtown Waterfront Plan show a modification to the graphics on either Page 3 or Page 6 for a continuous link between Olympic Beach and Brackett's Landing South.
- The language that implies or relates to a bus turn around and local circulator is strongly opposed by the Port. The Port Commission feels that bus traffic on Admiral Way would be incompatible with its programs. The Port understands the position of the City and the fact that this issue can be negotiated between the Port of Edmonds, the City and other affected parties in the future.
- The Commission has requested that an additional item be added to the list of long-term actions on Page 9 to read, "Port of Edmonds to explore opportunities for westward expansion of the marina and the expansion of the dry storage facility."
- The Commission recommends that the language in Item 8 on Page 8 be revised to clarify the area between the railroad tracks and SR-104. The recommended language could be, "Redevelop the area from the eastside of SR-104. . ."

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- The Commission believes there is some confusion on Page 12 regarding the waterfront districts and where the Port fits into the district concept. City staff has clarified that the Port is under a master plan development designation, and that this could be further clarified in the Downtown Waterfront Plan.
- The Commission expressed a concern about the word “must” on Page 12, in the last sentence under the section, Shoreline Commercial. City staff has clarified that this section refers to buildings and agreed that further clarification would be appropriate.

Mr. Chave announced that the public hearing was being videotaped, and would be broadcast on the public television station.

Robert Turcott, 8928 Main Street, reminded the Board that in October a citizen’s petition was submitted to the City asking them to hold the line on building heights and maintain the existing height limitation of 25 feet plus an additional 5 feet for modulation. He explained that this local activist group was able to collect over 1,000 signatures from residents who were in favor of maintaining the existing height limits, and this effort must be recognized. The petition should be filed as part of the City’s record, and the Board should recognize the wishes of the citizens. Chair Young noted that the Board Members all received a copy of the petition, along with the list of signatures.

John Heighway, 1130 – 4th Avenue South, shared just a few of the names of citizens who signed the petition to keep the building heights in the downtown as they currently exist. He specifically identified the following names: Robertson, Peterson, Clark, O’Dell, Jacobson, Brumpton, Kennedy, Bersch, Rowe, Stobbe, Salo, and Dobson. He urged the Board to pay attention to the wishes of all the citizens who signed the petition. He expressed his concern that the Board has not commented regarding the petition. He drew the Board’s attention to the following pages of the proposed Comprehensive Plan:

- The second paragraph on Page 14, which reads as follows, “The City of Edmonds was a well-established community by the turn of the century and the present urban form preserves many characteristics of its historic origins. The community’s location on the west facing slopes of Puget Sound provides many amenities including extensive views of the water and Olympic Mountains, access to beaches and waterfront parks and a compact downtown area.”
- The first sentence in Item A on Page 52, which reads as follows, “Generally, past and present commercial development in Edmonds has been oriented primarily to serving the needs of the citizens.”
- Item B.1 on Page 67, which reads, “The City should continue to support an historic preservation program to identify and preserve the City’s historic architectural, archaeological and cultural resources for future generations to study and enjoy.” He noted that adding new buildings at greater heights would endanger the City’s historic resources.
- Item D on Page 73, which reads, “Building heights and modulation guidelines are essential to create diversity in building forms, minimize shadows cast by taller buildings upon pedestrian areas and to ensure compliance with policies in the City’s Comprehensive Plan. Protecting views from public parks and building entries as well as street views to the mountains and Puget Sound are an important part of Edmonds’ character and urban form.”
- The last paragraph on Page 99, which talks about the need for more affordable housing in the downtown area. He said he does not foresee any of the new housing in the downtown area being considered affordable when the cost is approaching nearly \$1 million per unit. The housing that currently exists must be preserved and the building heights should be maintained.

Mr. Heighway concluded his remarks by urging the Board to recognize the public’s petition.

Robert Northrup, 1016 – 8th Avenue South, said he has been a resident of Edmonds for 16 years and he has seen many changes occur. He said he is greatly concerned about the proposed changes to the first floor ceiling height and to the overall

height of the buildings in the downtown. He felt this change would modify or degrade the ambiance of the City, which is good right now. In addition, the changes would interfere with other property owners' views, and there is enough of that already. Lastly, he expressed his concern that the changes would open the door for further modifications and height variations.

Strom Peterson, 9110 Olympic View Drive, said he owns a small business in downtown Edmonds and is president of the Downtown Merchant's Association and a member of the Greater Edmonds Chamber of Commerce Board. But most important, he said he is a resident of Edmonds. As a business owner of Edmonds he urged the Board to move forward with the proposal to require a 12-foot first floor ceiling height and to raise the overall building height in the downtown to 33 feet. He said it is important for the City to have more quality retail and residential space in the downtown because it would be good for businesses, expand tourism and increase foot traffic. As a resident of Edmonds he urged the Board to do the same thing because the change would create more tax revenue for the City and lessen the burden on the property owners. Also, the addition of quality shops and restaurants in the downtown, in conjunction with the new arts center, would make Edmonds a great place to bring visitors.

Mr. Peterson noted that many people like to argue that Edmonds' downtown is viable as it stands now, and they are correct to some degree. But it is important to look to the future, which means change. If the City does not address the necessary changes now, the changes could end up happening anyway and the City would have little control over the situation. They could end up with a lot of buildings with unviable first floor retail space, or they could have no new development at all, which would make it impossible to sustain a good economic outlook. He noted that these decisions are difficult and the Board and City staff have put in countless hours to research and study the issues. He thanked them for their efforts, and urged them to move forward with the proposal to require a 12-foot first floor ceiling height and allow building to be constructed up to 33 feet. He asked them to remember that the future of Edmonds is at stake, and it is important that they make the right decisions.

Bob Gregg, 16550 – 76th Avenue West, expressed his belief that the Planning Board is taking the right steps in updating the Comprehensive Plan for downtown Edmonds. He reviewed that they have sought input from citizens, property owners, businesses, developers and third party consultants, with no preconceived notion of what should happen. He said he believes the conclusions that have been drawn are virtually irrefutable. He said the City of Edmonds and its citizens are faced with two options. They can leave the current height limit in place and let the City remain as it is, or they can make changes that would allow them to move forward. He noted that many of the buildings that are referenced when talking about the wonderful character of Edmonds were built under earlier codes that allowed greater height limits.

Mr. Gregg said that while the citizen concerns should be greatly considered, when it comes to a quantum decision, the Board must remember that they cannot require a 12-foot minimum ceiling height for the ground floor and expect anyone to develop properties unless the height limit is increased to at least 33 feet, as well. If the height limit is not increased in conjunction with the ceiling height requirement, the end result would be two-story buildings only. He emphasized that two-story buildings are not feasible. Should the Board decide to move forward with their current proposal, he suggested that they also include a provision that would require all new buildings to be set back an additional three feet, and not just those that wish to construct to 33 feet in height. He suggested that it is very important to the future success of retail buildings in the downtown to have them all set back the same distance from the street, and there are studies that strongly support this concept. He agreed that having 10-foot wide sidewalks is something the City should strive for. In addition, he suggested that it is unlikely that a developer would not want to take advantage of the additional building height, anyway. If the Comprehensive Plan is approved as proposed, developers would likely build three-story buildings up to the maximum 33 feet allowed for height and set back an additional three feet from the street, with a first floor retail space height of 12 feet. He noted that the proposed changes would be related mostly to the properties that are located along Fifth and Main Street where most of the new development would likely occur. Because of the slope along these streets, allowing an additional three feet of height would not have a significant impact on views. He emphasized that the proposed height increase would not be applied City-wide.

Ron Wambolt, 530 Dayton Street, said he lives right in the heart of downtown Edmonds, and he does not support the proposal to increase the building height to 33 feet in the BC zone. He recalled that last March, the City Council approved an ordinance that allowed the height limit for flat-roofed buildings to increase from 25 feet to 30 feet, and now they are

proposing to further increase the height limit to 33 feet. Next, they will want to change the height limit to 40 feet or more. He said that since the allowed height of a building is measured by averaging the height of the lot, buildings can actually be greater than 30 feet in height now. He noted that the building that is being constructed at Fifth and Walnut is going to be about 36 feet high.

Mr. Wambolt referred to an article in a local newspaper in which a representative from the Chamber of Commerce summed the issue up nicely. He said, "It is hard to build three-stories and keep the small scale of the area. There is no denying that the character of the downtown would be negatively changed." Mr. Wambolt advised that the Downtown Waterfront Plan Update states that if no growth occurs in the downtown, then the extra dwelling units would have to be accommodated elsewhere in the City, which infers that this growth would have to occur in the single-family residential neighborhoods. He further advised that the Downtown Waterfront Plan states that allowing the additional height could result in 1,000 new units, but there is no mention of the impact this would have on the character of the downtown. He expressed his belief that any property owner who has paid a high price to have a nice view and continues to pay higher property taxes because of the view, should have their view protected, and three feet of additional building height could end up blocking many of these views.

Mr. Wambolt expressed his concern that if the proposed changes are approved, they would become the catalyst for allowing large mixed-use developments to go up lot-line-to-lot-line, and the end result would be a proliferation of buildings of three stories as opposed to the predominant one-story buildings that exist now. He shared several examples of property owners who have been able to work together to successfully develop properties in the downtown using the existing zoning codes. He said he only knows of one situation where there is empty retail space because the ceiling heights are too low. Yet the City's economic development director is participating in the ruse that there is a glut of empty retail space. He reminded the Board that the biggest stakeholders are the citizens of Edmonds, and their wishes should supercede the will of the merchants since their longevity in Edmonds is only as long as their business is successful. He reminded the Board that the developers are not the stakeholders in this situation, and their only interest is more money. He concluded his remarks by stating that he does not think Edmonds needs developers to construct buildings to maximize their profits and then leave. He urged the Board not to raise the building heights or mandate a 12-foot minimum first floor ceiling height. He expressed his belief that the ceiling height issue is being used as an excuse to raise the building heights an additional 3 feet. The City staff seems to have identified ceiling heights as the main factor that impacts the retail market, but he suggested that they have overlooked the affect of supply and demand.

GayLynn Beighton, 6307 – 147th Street Southwest, said she is a commercial real estate broker and her focus is selling and leasing commercial properties. She said she is in support of the proposal to set a minimum 12-foot ceiling height on the main floor of mixed-use developments. She said she is also in favor of increasing the overall building height to 33 feet, which would allow more flexibility for developers of sloped lots to avoid sunken entrances. She referred to a situation where a prestigious and desirable office tenant recently declined an opportunity to relocate in downtown Edmonds because the building that best suited their requirements had a sunken entry.

Ms. Beighton pointed out that the tax burden on residential property owners would be lessened if and when the City could attract more new retailers to generate sales tax. If the City does not attract successful retail businesses, their only alternative would be to raise property taxes. She emphasized that, from her experience in working with numerous retail and office tenants, first floor ceiling heights must be raised if new mixed-use buildings are to accommodate successful retail tenants. The existing code is not adequate to create modern retail shops. In addition, she advised that the overall height limit must be raised two or three feet to avoid the situation of developers constructing more obsolete retail space to take advantage of the profitable residential space that would be built on top. She said that, at this time, there are a number of empty retail spaces in Edmonds. There are also a number of retail spaces that are currently being occupied by offices, which do not provide sales tax revenue to the City. This is because of inadequate ceiling heights in the retail spaces that have been constructed in the past ten years.

Ms. Beighton said that if the City were to require a 12-foot minimum ceiling height on the first floor of mixed-use buildings, developers would only be left with 18 feet of height for the residential portion of the development. This would force the developers to either construct two-story buildings, which are not feasible at this time, or compromise the quality of the residential units by reducing the ceiling heights to an undesirable level. She concluded her remarks by stating that if the City

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does not maintain a critical mix of residents and shoppers in the downtown, the retailers will have nice shops, but fewer patrons. New residents add to the vibrancy of the downtown. She said she believes the proposed plan is a step in the right direction, and she encouraged the Board to move it forward as proposed.

Don Kreiman, 24006 – 95th Place West, related the following story. When he was young he was promoted to sales manager of a manufacturing company. Shortly after, he arranged for a booth at a trade show in Chicago to look for more customers. The Friday before the trade show was to open, one of his clients called with a problem. His production line might have to close down because of their product. They needed help and wanted him there Monday morning. As he couldn't be at both the factory and the trade show at the same time, he sought out his father, the president of the company, for advise. His father told him, "Don't dig yourself a bigger hole." He and the chief engineer arrived at their client's factory on Monday morning, discovered the problem and resolved it. But it was too late to attend the trade show. He was glum for a while, but two weeks later this client mailed him a million dollar order, and he became an unofficial but prestigious member of the million dollar order club, an honor he cherishes to this day. He said he learned a valuable lesson from his father, and the concept of "taking care of your own" can be applied to customers and neighborhoods, alike.

Mr. Kreiman pointed out that many neighborhoods in Edmonds are turning over, and older residents are looking for alternatives to living in their single-family residential homes. A couple of his neighbors have lived and raised their families in their homes for 40 years. While most of these people would love to stay in Edmonds, there are not enough reasonably priced condos in downtown. As people retire many will be unable to move to downtown and take advantage of its transportation, shopping and recreational opportunities. He stated his opinion that if new development were limited to one story of condominiums on top of one story of business, no more condos would be constructed in Edmonds, period, because developers would lose money. Restricting the supply, along with increased demand, would keep the condo prices out of the reach of the City's own residents.

Mr. Kreiman suggested that it would not necessarily be the developers who stand to gain if the height limits are increased by three feet. They won't be able to build even one more condo than what they are currently allowed to build. In fact, under the current proposed plan, they would give up an additional three-feet of setback. If the building height were reduced to 25 feet, the people who already own condominiums in town would benefit the most because restricting supply while increasing the demand would prop the prices up, at least until the downtown falls into disrepair for lack of redevelopment.

While over 1,000 citizens signed the petition to retain the existing building heights, Mr. Kreiman questioned how many of them own property in the downtown. He urged the Board to take care of the City's own first by bringing the City's older residents to downtown, not the condominiums to the neighborhoods. He said that as he has watched the Planning Board review this issue throughout the year, he knows they have the citizens' best interest at heart. He urged them to adopt the Comprehensive Plan update as proposed.

Ray Martin, 18704 – 94th Avenue West, said he has heard through the grapevine that at least one of the Planning Board Members has already made up his mind that anyone who opposes the greater height limits doesn't count. He said he hopes this is not true. He recalled that Mr. Chave was previously asked about the issue of parking, and his reply was that any new development would have to comply with the parking requirements. However, he noted that in the past 33 years he has seen the parking situation go down hill. Now the City is proposing changes that would allow three-story buildings instead of two-story buildings, and this will mean more vehicles. He questioned where these cars would park.

Mr. Martin said the citizens have been told that the proposed changes would help the City comply with the Growth Management Act to have a greater density in the downtown area. However, on the few occasions when City staff has been asked how the City is doing in meeting the GMA requirements, they have replied that the City is doing quite well.

Mr. Martin said that several speakers have seemed to indicate that the "sky would fall" if the proposed height changes are not approved to improve the economic climate of the downtown. He urged the Board to take a look at the Department of Labor statistics that compare downtowns in Western Washington. They will find that Edmonds is just a little above average, and they have done very well in the past 100 years with reasonable building heights. He said he would like the City to keep the building heights as they currently exist.

Mr. Martin said he helped gather the 1,000 signatures that were part of the petition, and it was not a difficult task to accomplish. The biggest problem was keeping people who didn't live in Edmonds from signing, too. He said that of the 60 signatures he collected, no more than one or two people told him they would support greater building heights. The vast majority of the people he talked to want the current building heights to remain intact. He said he believes they could have collected 4,000 to 5,000 signatures if they had wanted to. The citizens do not want higher building heights.

Mr. Martin said he does not believe that changing the overall building height to 33 feet and requiring a minimum 12-foot ceiling height on the first floor would improve economic development opportunities. He referred to the concept of averaging building height, which would allow a developer to have a greater building height in some areas of the property in exchange for lesser heights in other areas. He said this concept is currently being considered by the Board for the downtown area, and he is concerned that this would allow high-rise towers. Averaging would allow some developers to construct buildings that are greater than 33 feet, and this could eliminate the view that some other property owners currently have.

Mr. Martin urged the Board to consider the fragility of the downtown waterfront area. If it is allowed to be over developed, it would be wrecked. He said he recently reviewed pictures of Lake Union in the early 1900's when it was a beautiful place, but now it is not very attractive at all. He suggested that this same thing could happen to Edmonds. While the City has indicated the need to raise the tax base, City Councilmember Plunkett has expressed his belief that the push for supposed economic development is false. While some City Councilmembers have already made up their minds and don't care what the citizens think, he urged the Board to listen to the citizens and maintain the current height limits.

Pam Harold, 8311 Frederick Place, said she attended her first Edmonds City Council meeting 20 years ago and the main topic of discussion was height restrictions. She said she was impressed by the City Council's decision at that time. She said she had just moved from Vancouver where the views had been lost by new development. However, she pointed out that times are changing, and the City of Edmonds also needs to make changes to keep the downtown pedestrian friendly, attractive and financially stable for businesses to thrive. While many people have talked about Edmonds in the past, she said she recently viewed a picture of Main Street Edmonds in 1960. It was ugly and the biggest thing was the Coca Cola sign. The fact that the storefronts are not empty is due to the efforts of dedicated merchants. The downtown is more pedestrian friendly and buildings that are stepped down from the sidewalk are not attractive or pedestrian friendly. Many of the buildings with stepped down entrances remain empty today. She summarized that if three feet of additional height would allow new buildings to have street level entrances and decent first floor ceiling heights, she would support the change. She concluded by stating that Edmonds is known for their focus on the arts and the proposed changes would allow for aesthetic improvements and perhaps even space for the arts.

Jennifer Gerend, Edmonds Economic Development Director, reminded the Board that economic development is one of the strategies the City is using to increase revenues, while adding jobs and improving the quality of life. Through this lens, she said she believes the proposed changes to the Downtown Waterfront Plan are essential for preserving viable commercial space. She explained that in a healthy downtown, business and residential uses are balanced, and people can live, work, dine and shop all within walking distance. This is what makes downtown Edmonds a vibrant place. But when there is a threat to this balance, it is important for the City to hire consultants and look for a solution. Ms. Gerend said the current code produces a building type that limits the availability of viable commercial space, thereby altering the essential balance. She advised that currently, there are a handful of recently constructed buildings with sunken first floors, low ceilings and generally undesirable commercial space. If a change is not made soon, development of this type of building would continue until the City reaches a point where the incremental problem has rendered much of the first floor in downtown Edmonds virtually unusable for businesses.

Ms. Gerend said it is important to note that many vital economic activities happen in commercial spaces. Sales tax revenues are created from retail uses, jobs are generated and business investments in the space add to the overall value of the building, and therefore, the property tax assessment. Quality ground floor commercial space allows a variety of businesses to provide conveniences for local residents and workers. She said it is also important to remember that the buildings constructed today will exist for many decades, and their first floors will constitute the commercial space available to businesses in the future, and in turn, the space where tax revenues will need to be generated to support City budgets. She said that while it is hard to predict what kinds of businesses will want to be in Edmonds in 20 or 30 years, it won't matter if the City doesn't have viable first floor commercial space.

Ms. Gerend emphasized that keeping a vital “Main Street” environment downtown is crucial for preserving home values and interest in new residential development in the future. She referenced a December 9th article from the *DAILY JOURNAL OF COMMERCE*, which states, “One of the strongest draws for new mixed-use development is a main street. People who have grown tired of the homogenous “big box” suburban architecture want to move businesses and housing back to the older main streets.” She said the article goes on to mention Edmonds as an example.

Ms. Gerend concluded her remarks by reminding the Board that, in many ways, the proposed changes are actually about preservation and ensuring that future commercial space is at least as viable as the older existing spaces. The solution proposed in the Downtown Waterfront Plan would avoid shortchanging future generations of businesses and residents while maintaining the financial feasibility of redevelopment and the pedestrian scale of downtown Edmonds.

Bill Curran, 626 Main Street, said he owns property on 6th and Main Streets, which currently has a great view. If a building were allowed to erase his view, he said he would lose a significant amount of his property’s value. He said it is important to him, as one property owner, to tell the Board that he does not appreciate the fact that his view could be blocked. He said he would hold anyone who thinks this way responsible for his bad luck if the proposed changes are approved. He said he still does not understand how the City would provide adequate space for parking if more dense development is allowed in the downtown. If there is not adequate parking, he questioned how the City would attract patrons to the new retail spaces.

David Dwyer, 18709 Olympic View Drive, voiced his support for maintaining the building heights at 30 feet rather than raising them to 33 feet.

Joan Longstaff, 524 Main Street, said the structure on her property was built in 1890 by the town blacksmith. She said she is a real estate broker for residential properties, so the concerns of the citizens matter to her. But the viability of Edmonds and how the citizens pull together as a community concerns her even more. Edmonds is a special small town that is rich in the arts, community atmosphere, the private sector and the business community. Over the 25 years she has had her real estate brokerage in Edmonds she has seen a lot of change. She thanked the Planning Board Members for their efforts, and commented that they are the finest Board she has seen in her 25 years in the community. She also commended the consultant who completed the downtown study.

Ms. Longstaff said it has been exciting to see how the community has become more in support of the retailers. The people she has helped move to Edmonds chose the City because of the small town business community, but there was a time when the community did not really support the local merchants. In addition to community support, the merchants have received an extreme amount of support from experts such as GayLynn Beighton, whose expertise in leasing property makes her someone the entire Puget Sound community looks to for information. The merchants are also fortunate to have a new City of Edmonds Economic Development Director, and the Downtown Merchants Association, Edmonds Community College, the arts community, and the Port of Edmonds have also pulled together to support economic development in the community, too.

Ms. Longstaff said she does not believe the proposal to raise the height limit three additional feet would block very many views. In fact, she felt that property values would be enhanced by having a better-developed business community. She said she also supports the proposal to require a 12-foot minimum ceiling height for the ground floor. She said she would like to be able to walk down Main Street and see properties all even against the sidewalk. She said she also supports the City’s desire to have wider sidewalks. She said she would hope to move the structure that is currently located on her property to a location in the arts corridor because a real estate office is not the best use for this land. She commended the Board for their efforts and encouraged them to move the plan forward as proposed.

THE BOARD TOOK A BREAK AT 9:00 P.M. THEY RECONVENED AT 9:08 P.M.

Norma Bruns, 960 – 5th Avenue South, said she finds the proposed changes complicated and somewhat unnecessary. She said she does not support the idea of changing a plan that has kept Edmonds in the forefront with a reputation of having a great downtown area. She noted the amount of time, money, and paper that has been spent to come up with the proposed plan, and said she does not even see a need to change something that has been working well. When reviewing the

consultants' comments, Ms. Bruns said she found herself questioning if the consultant was talking about a town of 40,000 residents or a big city. Many of the suggestions for retail apply more to big cities, and it does not appear that the City anticipates a significant amount of additional population over the next 20 years.

Ms. Bruns inquired if the proposed 33-foot height limit would allow a developer an additional five feet if building modulation is part of the design. If so, she noted that this would actually raise the height limit to 38 feet. She said the citizens have also been told that if a developer were to work the design around, they would be allowed up to 36 feet in height. Since there is nothing in the code that would preclude a developer from constructing a 12-foot high first floor right now, she suggested that the idea of mandating a first floor ceiling height came about to support a greater overall building height. She said some City Councilmembers have stated that perhaps the citizens who signed the petition did not know what they were signing. She said that while some might not have been fully informed on the technical aspects of the proposal, they certainly knew that they did not want the heights to be greater. She asked the Board to listen to the citizens of Edmonds who have no vested interest other than to maintain the charm of the downtown.

Rowena Miller, 8711 – 182nd Place Southwest, thanked the Board for listening to the citizens time and again. She said she becomes discouraged when she hears people say that the petition was signed by a little group of older citizens who want to keep the City of Edmonds in bronze. She clarified that the issue is not about memories, but about what Edmonds has become. She said she enjoys coming to downtown Edmonds to walk on the beach and to shop. But now when she comes to the downtown, all she can think about is having 33-foot buildings lot-line-to-lot-line all the way down 3rd Avenue. There would be only shadows, with no light, and the small town atmosphere would be destroyed. She said she believes the first floor height mandate is being used as an excuse to talk about something else besides higher buildings. There are no restrictions now on how high the first floor of a building can be. A developer could construct a building with a 12-foot ceiling height, with plenty of room for one story of residential space above.

Ms. Miller referred to the concept of height averaging, which is apparently being considered by the Board for buildings that are located within the shadow of another building. She questioned how many stories this concept would allow, and if the waterfront could end up with high rise buildings. She also reminded the Board that parking and traffic issues have been raised before, and the City also must address energy problems. She questioned why the City should require all of the commercial space to have 12-foot ceiling heights since these spaces would take more energy to heat and might not be necessary in all cases.

Ms. Miller urged the Board to keep the present Comprehensive Plan intact in order to maintain the current pedestrian character of the downtown, as well as the sunlight and the trees. She noted that even the consultants have said that remodeling is more feasible than rebuilding and the City should encourage this. She said she hasn't heard much about what is good for Edmonds, only what is feasible for developers and retailers. She questioned the cost of City services as Edmonds grows and how much they can grow in the City. She questioned if the citizens want to have a big city. She asked them to think about the environment and keep the special small town character and ambiance of Edmonds.

Eric Sonett, 102 Bell street, reminded the Board that the City has limited economic resources, yet the entire Downtown Waterfront Plan appears to be based on the premise of relocating the ferry terminal. While he supports this concept, he questioned how likely it is that the funds would be available for the project any time soon. He asked the Board to reevaluate the plan to determine if this is a valid premise.

Mr. Sonett said another great concern to him is the residential office zone that is proposed for four properties located on Sunset Avenue. He said the proposed plan appears to create a new zone for just four lots in the City, and the history of these lots suggests that the creation of this zone is driven by a property owner who wants to sell two of the lots. He said he is particularly concerned about the height that would be allowed for these properties. According to the proposed plan, the height limit would be 25 feet above the street level, not 25 feet above the residential grade, which is the current height limit for properties along Sunset Avenue. He said the proposed setbacks are also different from the surrounding residential properties, and the new setbacks could create problems for other residents if the view corridors are blocked.

Mr. Sonett said he lives on the corner of Sunset Avenue and Bell Street, and he is concerned about the parking problems created by the Brackett's Landing Park already. Having additional business uses may contribute further to this problem. He

questioned why the City does not take advantage of the vacant property to create a parking lot for the recognized additional uses that will come to Brackett's Landing Park as the community grows.

Roger Hertrich, 1020 Puget Drive, said the Board's process has not allowed anyone to truly examine one zoning change at a time. The whole document was thrown together and the citizens have not had an opportunity to identify with the characteristics of each zone and whether there is enough to warrant a change.

Mr. Hertrich recalled Mr. Chave's statement that the City is going to change, so it is important for them to control the change. However, Mr. Hertrich suggested that the City is actually creating the change. If the City were to deal with the important issues such as design, and if the City Council were to approve the proposed design guidelines, they might not have had to go through this process of combining building height changes with zoning changes.

Regarding the issue of setbacks, Mr. Hertrich said it appears the Board has finally generated some interest and understanding about what the term "setback" means. View corridors are also important, but they were not recognized as important until the City realized that the massing of buildings is so great that views have been blocked significantly. Mr. Hertrich reviewed how development has occurred over the years in Edmonds. He questioned what the term "character of Edmonds" refers to. He suggested that the term refers to one and two-story buildings that exist in the historic portion of downtown. The City is about to change this with a broad-brushed policy change to resolve the problem of crushed first floors. But he suggested that the crushed first floors are a result of someone wanting to put two stories of condominiums on top of the retail space. He said that if the City had put forethought into the plan, they would have envisioned this problem and created design guidelines to address it.

Mr. Hertrich said the Board's review has been thorough and the setback concept has been one of their best products, in that they understand how important they are. They have also realized that the buildings that have been constructed recently are too massive and this creates crowding on the sidewalks. However, he suggested that allowing overhangs and requiring setbacks at the same time would be counterproductive.

Mr. Hertrich said he is not in favor of the proposed height increase. He referred to the petition with over 1,000 signatures from citizens of Edmonds who also oppose the change. The Board has recognized the need for greater presence in the downtown, and the citizens appreciate this effort, but their attempts to raise the building height is a bad move for everyone except those who would directly benefit financially. He asked that the Board have compassion for people who constructed buildings expecting to have a view. The existing property owners are the ones that stand to lose if the height limit is changed. He said the charm of Edmonds is what brings people to the community, and if the City automatically insures that a third floor can be build, people will eventually sell their properties for redevelopment into taller buildings. If the present height limit remains intact, these same property owners would consider the possibility of remodeling their buildings to continue the same type of structure that exists now. The 33-foot height limit would destroy the charm of Edmonds.

Mr. Hertrich said he found parts of the Board's review process to be sneaky. He said he read the literature that was provided by the staff and attended Planning Board meetings but found it difficult to focus on just one downtown district at a time. For instance, he particularly questioned the concept of height averaging. He used cereal boxes to illustrate the impact of this concept in the downtown. He suggested that the public hearing advertisement should have included the possibility of much greater heights in the downtown since that is what height averaging would allow. He also used cereal boxes to illustrate how a step back requirement could be used on three-story buildings to protect the view corridors. He suggested that this would be a good option for downtown Edmonds.

Mr. Hertrich questioned the appropriateness of the Economic Development Director's participation in the public portion of the hearing. He suggested that her comments would have been more appropriate during the staff presentation.

Bob Bailey, 271 – 4th Avenue South, Apartment 4, said he has been retired for several years. He said he has read through the proposed Downtown Waterfront Plan and found that it contains adjustments and changes that will help improve and fix the problems in the downtown. He said he feels the plan provides sufficient detail and would preserve those things that make Edmonds special: the small town atmosphere, pedestrian friendly streets, and the appreciation of the waterfront and mountains. Yet there has been significant opposition expressed by the citizens that centers around the building height issue.

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These residents have stated that a height limit beyond 25 feet would vitally impair the beauty and charm of the City. He reminded the Board that Edmonds has evolved over time from an ice cap, to a forest, to a logging site, to its present appearance. And it has always been beautiful to the beholder.

Mr. Bailey recalled that some people have said that there is no proof that downtown commerce would benefit from the proposed changes. They say there is no need to change, and they want proof that the changes are really needed. He said he finds this attitude of rejecting expert testimony to be short-sighted and dangerous. He encouraged the Board to be forward thinking and exert leadership to solve the anticipated problems before they grow to a great scale. He urged them to resist the pleasure of taking the easy way out to say nothing needs to be changed in a material or controversial way. He recommended they approve the essence of the recommended Comprehensive Plan changes, including those quantitative and controversial aspects. This would allow the City to protect and ensure the future of the downtown residential and business community.

Chris Guitton, Director for the Greater Edmonds Chamber of Commerce, 121 – 5th Avenue North, said he also owns a residential home on Viewland Way. He said he was grateful that Pam Harold was present to speak in favor of changes that are being considered to create a vibrant pedestrian friendly downtown. He said that as he has spoken to his neighbors about the BC zone, he has found that they have no idea what he is talking about. This leads him to question whether all of the citizens who signed the petition clearly understood what the BC zone is and that the increased height limit would only apply to this area.

Mr. Guitton said the Chamber Board of Directors is a representative board elected by a membership of more than 350 businesses in the area. These businesses represent more than 2,000 employees and business owners, many of whom actually live in Edmonds. The Chamber is their voice in the community. He explained that the Chamber is community oriented and their goal is not to do business at any cost. They want a balanced approach to growth. They enjoy the charm of the downtown and want to keep it that way, and that is why they feel it is important for the downtown to remain vibrant in the future. The Chamber supports a first floor ceiling height requirement of 12 feet, with an overall height increase of no more than 33 feet in the BC zone only, with a setback requirement.

Mr. Guitton said that in his opinion, empty storefronts do not generate City pride. He said he believes they generate more crime and increase the cost of community services while at the same time they reduce the City's revenues. It is important for the downtown to remain vibrant and lively. On behalf of the Chamber Board, Mr. Guitton thanked the Board and congratulated them for their hard work. They have gathered objective information and established an effective public process, and he respects their position. He said he supports the proposed changes.

Jack Jacobsen, 128 Sunset Avenue, referred the Board to the four lots located on Sunset Avenue that are being considered for change. He noted that two of these lots are currently vacant, and if they are combined for future development, the view corridor would be blocked. Allowing a height of 25 feet above the street level could result in a building that is four stories high on what is currently a single-family residential lot. He urged the Board to require that the setbacks on this property be the same as the surrounding residential properties. He also asked that they reconsider the concept of allowing the height to be measured from the street level.

Sandy Eastly, 16858 – 76th Avenue West, said she is in support of retaining the current 30-foot height limit. She also expressed her concern about the City's plan to allow lot size averaging. She said this concept allowed a PUD facility to be built in her neighborhood. She urged the Board to not make any changes that would result in the loss of Edmonds' charm. People want to raise their families in Edmonds and enjoy the lovely environment.

Edmond Lee, 845 Northwest – 205th Street, Shoreline, said he owns a company called The Hotel Group, which has had their headquarters in Edmonds for 20 years. He referred to the planned residential/office district that is being proposed for four properties on Sunset Avenue. He noted that the two undeveloped lots have a significant slope, which makes them undevelopable under the current zoning. He said that if he were a neighbor of these properties, he would want them to remain undeveloped into perpetuity and let someone else pay the yearly property tax assessments for each. But that would not really be fair or in the best interest of the City of Edmonds.

Mr. Lee explained that he is interested in relocating his office to this area, with below street parking on the bottom level and office space on the ground floor level that would have a low impact to existing views. A minimized residential unit would be located on the second story. He emphasized that it is not his plan to maximize the commercial and residential uses allowed on the site. They need to have good first floor commercial space to enable them to minimize the second floor. Unfortunately, anything that is built there would block the view of some of the residents.

Mr. Lee advised that he has identified his proposal as an opportunity for the City to consider, and suggested that it be included in the Comprehensive Plan. The Board was kind enough to consider his request. He said he has also identified some concepts that he feels would provide a transition between the commercial and residential uses. In order to make the project work, they must maximize the office space on the ground floor, and he said he realizes this would have some impact on the view corridor. The way the City's proposal is drafted, any planned use of the properties would be subject to height and view requirements that make it compatible with the adjacent residential uses. On the north side of the subject properties there is a residential property, with a five-foot setback. He said his project would propose a five-foot setback on the north side, as well. He agreed, however, that there would be no view corridor down the middle of the two vacant properties if they were combined and developed with one structure.

Mr. Lee reported that as a courtesy to the neighbors, he hosted a neighborhood meeting in September. However, view corridors was not one of the issues raised by the neighbors. The neighbors expressed concern about ensuring that high impact uses like restaurants or bars were not developed on the site. They also wanted to make sure any new development provided adequate self-contained parking, which would be done under his current proposal. The neighbors requested that any new construction be done in a compatible architectural design that is pleasing to the neighborhood, and that is what he wants, as well. Lastly, he said there was concern that the buildings not be so much taller than the neighborhood homes, or 25 feet above the street level, which is the way the proposed language is drafted.

Mr. Lee said he has a great admiration for the Board's willingness to serve the community. He said he would he had been treated fairly no matter what they decide to do.

John Bissell, 8030 – 217th Street Southwest, a land use planner for Higa Burkholder, said he is also a resident of Edmonds. He referred to the property on Sunset Avenue and explained that the sites slope to the same level as Brackett's Landing Park. He said that, typically, residential property in Edmonds sells quickly. Yet these properties have been vacant since before the first zoning ordinance was drafted in 1956. This illustrates a problem with the existing zoning that makes the properties undevelopable. From a responsibility standpoint, the City should have a zoning designation that is compatible with the location and topography. If the properties were developed with single-family homes, they would be located down in a hole next to the railroad tracks, with the only access coming from a ramp off of Sunset Avenue. This would cost a lot of money to develop, and he did not feel it would be a desirable location for a single-family home. However, the site would be appropriate for a commercial use, and the proposal to limit the type of commercial uses allowed would be compatible with the adjacent residential properties.

Mr. Bissell expressed his opinion that the proposal prepared by the staff and the Planning Board would allow zoning that makes sense for a very specific situation in the City. The view corridors that were spoken of could be accommodated with five-foot setbacks the same as if residential uses were to be developed on the sites. He said he believes the proposed change for this area is appropriate, and he encouraged the Board to continue as planned.

Mr. Bissell pointed out that much of the public testimony has been related to building heights. While some has been accurate, some has not. He recalled that the City commissioned a professional study to review the complex issues about how commercial and residential areas relate to each other, the driving force of development in the area, etc. The study indicated that residential units drive development in the downtown. Mr. Bissell said he believes the negative comments regarding developers have been inaccurate. He suggested that the developers would not really gain from the additional three feet of height because they are already building two stories of residential units now.

Mr. Bissell said much has been said about the historic character of Edmonds, and it is important to note that most of the historic buildings in Edmonds that everyone likes have 12-foot first floor ceiling heights, and the buildings that are being constructed now are the ones that have the problem. If no changes are made, new development in the City will continue to

have this problem, and these new building designs do not comply with the historic character of Edmonds. If the height limit and minimum first floor ceiling height is changed as proposed, the developers would be encouraged to build a retail core that is similar to the way Edmonds was developed 60 years ago.

Mr. Bissell reviewed that many citizens have expressed concern about the impact the additional three feet of height would have on views. The perspective a person would receive while walking down the street would not be noticed by most people since the difference would be very small. He referred to a topographical map that shows the difference in elevation between 3rd and 5th Avenues to be ten feet, which is a substantial slope. A property owner 200 feet away would not have their views impacted. The proposed change would only impact the view of properties that are located right next to the new developments, and this would involve only a very small percentage of property owners. He pointed out that when tough decisions have to be made, someone would always be impacted. But if the City does not make a decision to move forward, the entire town would be impacted because economic opportunities would be stifled.

Mr. Bissell said some people have stated that the changes would make the City just like Kirkland. However, he emphasized that Kirkland changed their building heights from 30 feet to one that allows five stories. This was a total change of two additional stories. The proposed change would not provide the ability to add any additional floors over what is already allowed. People are already building two stories of residential units on top of commercial space.

Mr. Bissell referred to the public comments that were provided regarding the concept of averaging. He suggested that people are confused about this issue. He explained that cities throughout the region use various methods to measure building height. Some measure from the street, some from the center of the building, and some measure the four corners of the building and average the height. Edmonds uses the latter method, and no changes are being proposed. He suggested that this issue is being confused with the concept of creating view corridors in specific areas of the master plan business district on the west side of the ferry lanes. He said Mr. Hertrich generalized this concept to apply throughout the downtown, but that is not what is being proposed.

Mr. Bissell expressed his belief that economic issues are very important to consider. A lot has been said about how the City doesn't need more retail establishments in the downtown and about how the downtown should remain a bedroom community. But people are missing the point that over the last ten years a number of initiatives have been approved related to the State's ability to collect excise tax, and this impacts the City's ability to collect the necessary operating revenues. He reminded the Board that the State of Washington must rely on sales tax revenue because it does not have the benefit of an income tax. Cities like Edmonds are having a difficult time because they do not have the sales tax revenue to generate enough tax base to run a city. If the economic engine is not fueled in Edmonds, they will be in trouble in the future. He said he does private consulting work for cities, and a number of them are on the verge of bankruptcy because they do not have sufficient revenues to fund their operations.

Mr. Bissell said it is important for the Board to listen to expert real estate consultants like GayLynn Beighton and the consultants who were commissioned by the City to study the downtown. Both are saying that the City needs to raise the building heights in the downtown to attract businesses that generate more sales tax. He summarized that the issue comes down to leadership. There is a petition of citizens against the change. However, he lives in Edmonds and he would not have signed the petition, and he knows of a number of other people who would not have signed, either. The Board needs to make the decision to take the City forward into the future and keep things going.

Ruth Arista, 18431 High Street, thanked the Board for their long, involved public hearings and for their efforts to listen to so many different voices. She said that as a taxpaying citizen, her property taxes are about \$3,000 per year, of which about 17 percent goes to the City's operating budget. A good portion of the property taxes she pays goes to support public schools. While she and her husband do not have children, they are in strong support of schools because that is part of their responsibility as citizens. She said she and her husband also own Arista Wine Cellars, which is located in downtown Edmonds. Their business generates about \$3,000 in tax revenue every few months, and a large portion of this money goes directly to the City. She said she is glad they had the opportunity to locate their business in Edmonds. The design of their building, including higher ceilings, worked well to incubate their small business. When it was time for them to move to a larger location, they found a space that was viable because of the rent level, the style of the building, the mix of people, and

the character of the downtown. She noted that downtown Edmonds has a quaintness and community feel that cannot be found anywhere else, and they are happy to be a part of Edmonds as a business, but mostly as citizens.

Ms. Arista explained that, at this time, people live above her shop space, and they visit with their neighbors all the time. This adds to the character of the downtown. She further explained that when a business needs to expand from one space to another in the downtown area, there are different types of buildings that allow this to occur. Having these spaces located on the sidewalk level, with ceiling heights that are a few feet taller, encourages small businesses to locate in the downtown and adds to the vibrancy of the City. She summarized that she believes the proposed Downtown Waterfront Plan embraces the notion of the quaint historical downtown that everyone wants to have in Edmonds. She offered to take the Board Members or any other citizen on a tour of the downtown spaces that shop owners have moved out of because they do not have adequate ceiling heights. She stated that design guidelines are important to the downtown because they encourage amenities such as benches, flowers, and the style of design that provides aesthetics to the street. She said it is important to preserve what currently exists in downtown Edmonds and keep the entire City viable. Edmonds has a style and friendly quaintness and beauty that must be preserved.

Ms. Arista referred to a study that was completed for a town near Chicago, and another that was done for Aurora, Colorado to find how dollars spent in local stores come back to the community as opposed to dollars spent at chain stores. The studies found that 75% of the every dollar spent in a local store is returned to the local economy because these businesses hire local employees who spend their money in the community. Only 44% of every dollar spent at a chain store is returned to the community. She said that as a property owner of a house in Edmonds, she doesn't want her property taxes to go up, but as a retailer, she is happy to run her business in a way that is consistent with the community feel of Edmonds, while providing tax revenue for the City's operating budget.

Bruce Nichol森, 9829 Cherry Street, said he takes exception to the comments made by several speakers that the City is in good economic health. Right now, the City is struggling to make the budget work and provide the basic services to the residents. Without economic prosperity, the situation will get worse. While real estate taxes provide one form of revenue to the City, the revenue from sales tax provides a much greater return. He recalled several situations that had been sited relative to the problems being confronted with bankruptcy. He noted that there have been very few new developments in the downtown area, and he had the unfortunate experience of having built one of them. The cost of land is such that the City must take steps to make it viable for people to redevelop their properties. Everyone wants to get every dollar they can from their property. Seven years ago, condo property had a value of \$50,000 per unit, and now the value is in excess of \$100,000.

Mr. Nichol森 said he is a 58 year resident of the community, and has seen a lot of changes that needed to take place. Now the City must do what is necessary to make new development work in the downtown to provide places for people to live and an economic tax base. He said that when he moved to the City, there were only 2,000 residents, and now there are over 40,000. He emphasized that he is not a developer, but a private homeowner in Edmonds, and he owns an office building on 4th Avenue North. Although his building complies with the existing height limit, the office space was constructed with 7 to 8 foot ceiling heights. Now he has to subsidize the rent on this space because it is not desirable. He summarized that it is impossible to make a project in the downtown area pencil out with the current height restrictions. He said he and his wife would love to retire in the community, but the property taxes make this difficult for many people. If the City wants to avoid a situation where their own citizens are being taxed out of the City, they need to address the current problems.

Mr. Nichol森 commended the Board for all of their work. They have a difficult job, but he is glad they are finally trying to address what needs to be done to preserve the economic viability of the downtown. They need to do what is good for the entire town, and not just what is good for a specific interest group. He said he supports the proposal to raise the overall building height to 33 feet, as well as the proposal to require a minimum ceiling height of 12 feet for the first floor space. Both of these actions would ensure the proper economic health of the community.

Alan Young, 111 Main Street, directed his comments to the four lots that are located on Sunset Avenue, north of Main Street. He noted that the proposal would allow the height on these four properties to be measured from the curb. He expressed his concern that the height should be measured using the same rules that apply to other properties throughout the City, by averaging the height at the four corners of the property, itself. He explained that the two vacant lots slope down at least 15 feet, so the proposed change would allow a developer to construct a building that is 40 feet in height. He questioned

why the City's current method for measuring height would not apply to these properties, as well. He said he understands that the lots will eventually be developed, but he asked that the height limit be based on the average of the four corners of the property instead of being measured from the curb.

Chair Young advised that the Board would seek clarification from the staff regarding this issue, but he emphasized that no building application has been submitted for the property yet. Mr. Young said his understanding is that the current proposal is to allow a structure that is 25 feet above the street level. Mr. Chave said that is correct. Mr. Young pointed out that the people living across the street would be significantly impacted by the extra height.

THE PUBLIC PORTION OF THE HEARING WAS CLOSED AT 10:30 P.M.

Chair Young remanded the issue back to the Board to identify the items they would like to have further discussion on when they meet again after the first of the year. He thanked the citizens for their input, and noted that the Board would not make a recommendation to the City Council until after they meet again in January.

Mr. Chave recalled that there appeared to be some confusion about average height. He clarified that for most of the downtown districts, the Board is considering a maximum height limit of 33 feet, with one foot of setback required for each additional foot of height over 30 feet. However, he referred to the properties between SR-104 and the railroad tracks, including Harbor Square, the Edmonds Shopping Center, and extending past the commuter rail parking area up to Main Street. He advised that the Board is considering this area for master plan development, which would provide a mix of uses and take advantage of its strategic location between the waterfront and downtown. He explained that the location of existing taller buildings on the waterfront and the site's situation at the bottom of "the bowl," could enable a design that provides for an average height of development. He further explained that this concept would enable a design that allows higher buildings in areas that are outside current view corridors and in the shadow of existing taller buildings in exchange for lower heights in others to protect existing view corridors.

Mr. Chave emphasized that the concept of averaging would not be applied throughout the entire downtown area, only to the properties identified as the Downtown Master Plan District. He also emphasized that future development of the site would require a rezone and a master plan, which would both require a design review and public hearings prior to City Council approval. He advised that the current proposal would not allow 60-foot buildings anywhere in the City.

The Board requested that staff provide the following information to them prior to their next meeting:

- The draft minutes from the December 15th public hearing, as well as any written comments that have been received from the public.
- Further information about how much parking would be required for new development (both commercial and residential) in the downtown.
- A formal response from Stephen Clifton regarding the issues that were raised by the Port of Edmonds about the Edmonds Crossing Project.

Board Member Dewhirst advised that he has several comments related to the proposed Downtown Waterfront Plan and Comprehensive Plan changes. He said he would forward these comments to staff as soon as possible. Mr. Chave advised that once he receives Board Member Dewhirst's comments, he would forward them to each of the Board Members.

Board Member Dewhirst said he agrees with most of the issues raised by the Port of Edmonds, except for the one regarding the bus turn around. He said he has been hearing that the Port is considering opportunities for outlying parking areas, with transportation in and out of Port property, especially during the summer months. Bus service along Admiral Way would complement this concept. He also expressed his opinion that the Port's interest in exploring opportunities for westward expansion of the marina should not be addressed in the City's Comprehensive Plan at this time. He felt that rather than giving the Port carte blanche approval on this concept, the City should wait to address the issue when the Port updates their

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master plan. He recalled that the marina expansion and the dry storage expansion concepts were hinted at during the Port's last update of their master plan, and both were controversial issues.

Board Member Crim said he was pleased by the comments that were provided by the citizens during the public hearing. However, he said it is important remember that the Growth Management Act is intended to provide a long-range strategy guide for community development. Because of Edmonds' assets, they will always be subject to constant growth pressures. To meet their requirement to accommodate growth, the City Council implemented the concept of mixed-use development, which means there is to be a balance of residential and commercial uses. However, the development that is taking place in the mixed-use areas now short changes the commercial side of the balance. He felt that increasing the ground floor ceiling heights would address this problem. He also expressed his belief that if the City requires a minimum 12-foot ceiling height on the ground floor, it would also be necessary to increase the overall building height to a maximum of 33 feet. He agreed with Mr. Bissell that it would be a real challenge for anyone looking up from the sidewalk to distinguish between those buildings that are 30 feet tall and those that are 33 feet tall. He noted that the design requirements to obtain the added height would be much the same as what current exist, with some additions. He concluded by stating that he is pleased with the plan as proposed, with only some minor changes and edits.

Chair Young referred to the citizen comments that were received regarding the concept of building averaging. Since it is apparent that this concept has been misinterpreted, he suggested that staff make changes to the proposed Downtown Waterfront Plan language to address the confusion.

The Board requested that staff develop a set of Findings of Fact and Conclusions for the Board to consider at their next meeting in January. Chair Young noted that the Comprehensive Plan and Downtown Waterfront Plan updates would be the main topic of discussion at the January 12th meeting.

REVIEW OF EXTENDED AGENDA

The Board provided no additional comments regarding the extended agenda.

ADMINISTRATIVE REPORTS

No administrative reports were provided during this portion of the meeting.

PLANNING BOARD CHAIR COMMENTS

Chair Young provided no additional comments.

PLANNING BOARD MEMBER COMMENTS

None of the Commissioners provided additional comments during this portion of the meeting.

ADJOURNMENT

The meeting was adjourned at 10:50 p.m.

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