

**CITY OF EDMONDS
PLANNING BOARD MINUTES
November 9, 2005**

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

BOARD MEMBERS ABSENT

Cary Guenther

STAFF PRESENT

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

Virginia Cassutt
Judith Works
John Dewhirst
Jim Crim
Don Henderson

Board Member Guenther was excused from the meeting.

READING/APPROVAL OF MINUTES

BOARD MEMBER DEWHIRST MOVED TO APPROVE THE REGULAR MEETING MINUTES OF OCTOBER 26, 2005 AS CORRECTED. BOARD MEMBER CRIM SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ANNOUNCEMENT OF AGENDA

No changes were made to the proposed agenda.

AUDIENCE COMMENTS

There was no one in the audience who expressed a desire to address the Board during this portion of the meeting.

PROGRESS REPORT ON ECONOMIC DEVELOPMENT ELEMENT OF THE COMPREHENSIVE PLAN

Jennifer Gerend, Edmonds Economic Development Director, recalled that she previously updated the Board on the work plan items and timeframe approved by the City Council for the Economic Development Element of the Comprehensive Plan. Since that time, a stakeholders meeting was held on October 21st at Edmonds City Hall to go over some of the information included in the update and to gather feedback on some economic development policies from other cities in the region. Stakeholders present at that meeting included representatives from Stevens Hospital, the Port of Edmonds, The Greater Edmonds Chamber of Commerce, Edmonds Community College, the Downtown Edmonds Merchants Association, and sample business and property owners from around the City.

Ms. Gerend advised that the first chapter of the Economic Development Element would provide an introduction to economic development and describes various approaches. It would also describe the current national thinking in economic development. She referenced books written by two experts in economic development. They provide good ideas that are representative of Edmonds. Michael Shuman's book is about promoting locally owned businesses rather than large corporations. He provides examples of using procurement policies that favor local companies if they are within the range of price competitiveness. Richard Florida's book describes a shift in economic development thinking. Rather than luring the large corporations, Mr. Florida suggests that cities work to create an attractive place, which would, in turn, attract workers. He looks for the combination of the built and natural environment, a diverse community of people, vibrancy of street life, etc.

Ms. Gerend said the first chapter would also explain why economic development is important. She noted that economic development is mandated by the State of Washington through a Growth Management Act Planning Goal. In addition, the Revised Code of Washington states, "It shall be the public purpose for all cities to engage in economic development programs." CTED also offers guidelines for economic development and provides a list of activities that many communities are engaged in such as affordable housing, downtown commercial revitalization, business recruitment, marketing, historic preservation, etc.

Ms. Gerend said she has also reviewed current Edmonds economic statistics. She found that the median number of employees per business in Edmonds is three, and the average is about eight. There are about 13,000 people employed in Edmonds, and the total number of businesses, depending on the source, is between 1,500 and 1,800. She said she also reviewed the report from Burke Associates, the Hartland Study, the Claritas Consumer Research Data, census information, information from the Department of Revenue, information from the Puget Sound Regional Council and City records. Using this information she was able to prepare two maps. The first map illustrates the sales volume of businesses and the second map shows employment patterns. After reviewing all of the data provided, she made the following observations:

- Revenues and employment appear to be distributed around Highway 99, the downtown and the neighborhood business districts. Therefore, economic development and land use policies should accordingly find ways to accommodate each of the districts.
- Downtown businesses are typically small.
- There is substantial leakage on consumer spending, with local residents going outside of Edmonds to find services.
- The land use regulations and design review process required by the City for most business districts in Edmonds makes redevelopment challenging and unlikely.
- The business community has a substantial interest in the local purchase policies.
- There are special opportunities within the City relating to technology, transit and business clusters. Medical, international and specialty retail business should be maximized.

Ms. Gerend advised that the stakeholders divided into three groups to review economic development policies from other cities in the region. Based on this review, they provided the following recommendations.

- Acknowledge Edmonds' history with economic development and opportunities lost such as previous changes to annex Aurora Village or James Center.
- Work to connect "the Bowl" with other neighborhoods and businesses around the City.
- Develop a strategy around affordable housing.
- Appeal to all generations with respect to housing, technology and activities.
- Consider procurement policies that assist locally owned businesses.
- Move away from Edmonds' image as a "bedroom community."
- Strengthen the appeal and identity of Edmonds' unique neighborhoods. Few other suburban cities can truly offer neighborhood centers.
- Strengthen the Edmonds small business community by considering policies regarding "big box" stores.
- Educate the community about economic development and business issues.
- Develop a vision for Edmonds' business community and business districts.

Ms. Gerend said that since many of the stakeholder comments were related to the neighborhood business districts, she provided the Board with comment letters she received from property owners within these areas. From the written comments, it is clear that the neighborhood business districts are really underutilized with aging, one-story structures. They are typically located close to single-family and multi-family housing developments. In addition, there are good traffic counts running through the areas to support the businesses, and there are opportunities for improved pedestrian and vehicular access. She summarized that it is clear that a more comprehensive solution is needed to solve the problem.

Ms. Gerend said the stakeholders pointed out that land values in the BN zoned areas are increasing, yet the zoning regulations limit mixed-use opportunities. Property owners have expressed a strong interest in redeveloping these properties, but this would be difficult given the current zoning restrictions. She suggested that the neighborhood business districts represent good opportunities for the City to conduct neighborhood planning, which would engage the residents, business owners, and property owners from the start. Staff envisions using a charette style process, with perhaps two meetings in each district, starting with Five Corners and Firdale Village for the 2006 Comprehensive Plan update.

Board Member Dewhirst said he believes Ms. Gerend has made a great start with the Economic Development Element, and he also agrees with her recommendation that the City should focus on the neighborhood business districts. He expressed his belief that Firdale Village, Five Corners and Westgate all have tremendous potential. However, he doesn't see anything in the document that addresses the heavy commercial areas that exist in the City. He recalled that about a year ago, the Board considered the option of rezoning some of the heavy commercial properties. During that process, it became clear that these areas serve a particularly important function within the community. Therefore, the City should consider preserving, if not enlarging, some of these locations.

Board Member Dewhirst pointed out that the draft document does not include any language that is aimed at promoting the arts. He recalled that the Downtown Waterfront Plan is being updated to include an emphasis on the arts in certain areas in the downtown. He said he believes that art could also prove to be a significant economic development tool if used right. The economic development element should at least bring this option to the community's attention.

Board Member Dewhirst reminded the Board that Highway 99 has been designated as a possible site for adult entertainment businesses in the City. He felt that this could be an issue in the future, so perhaps it should be addressed as part of the economic development element.

Board Member Freeman requested that staff research available data to find out how many of the 13,000 Edmonds employees actually live in the City. Ms. Gerend said the census records provide information about commuting to work, and she could use this data to research the live/work situation for Edmonds. Board Member Freeman pointed out that if the City is going to encourage people who work in Edmonds to live in Edmonds, they must provide more truly affordable housing options.

Chair Young asked what staff envisions the process would be for neighborhood business district planning. Ms. Gerend said the process would be open ended to look at what the residents in the neighborhood want. The property owners are looking for the ability to construct some mixed-use developments, which are not currently allowed in the BN zones. Staff would start the process by conducting a charette style meeting with the neighborhoods in January. A second meeting would be held in early February to review neighborhood comments and provide more specific ideas. The plans would likely come before the Board sometime near the end of February.

Chair Young said it appears the stakeholders would be receptive to a proposal that would replace the current BN zoning with a master planned mixed-use type of zoning. This would be similar to what is being considered for Highway 99. Ms. Gerend said this idea would be worth mentioning at the neighborhood meetings to help the local residents see what they could get. Chair Young felt this would help address the affordable housing issue, as well as use the arts as an economic engine.

Board Member Cassutt informed the Board that Firdale Village was originally developed in the 1960's as an art colony, offering low-rent housing options to attract artists to the area. It was never meant to be a shopping center. She felt that because of the significant size of the property, there are opportunities to accommodate a variety of housing options.

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REVIEW OF ADDITIONAL ZONING CHANGES TO IMPLEMENT THE COMPREHENSIVE PLAN (E.G. HIGHWAY 99 ACTIVITY CENTER)

Council Member Pritchard Olsen advised that she has been serving as a member of the Task Force since it began a few years ago. Throughout the Task Force process, the group has met with business owners, property owners, residents, and major community facilities such as Stevens Hospital. In addition, two consultant studies were performed that assisted the City in updating the Comprehensive Plan by addressing the zoning changes needed to spur growth and prosperity along the Highway 99 Corridor and medical area. She reported that the Task Force met twice in October to review the CG (General Commercial) and proposed BR (Residential Business) zones, with the goal of updating their 2004 memorandum to the Board. The Task Force Members included the following individuals: Mike Popke of Lynnwood Honda, Jim Young, Jennifer Gerend, Duane Bowman, Darrell Smith, Jim Underhill, Councilmember Jeff Wilson, Chris Guitton, Bruce Wittenberg, Dr. Arthur Castagno from Stevens Hospital, and Task Force Chair Richard Marin.

Council Member Pritchard Olsen further reported that the Task Force's new memorandum represents the collective view of the group. However, because the Task Force represents a variety of interests, some members may have differing viewpoints on some subjects, which they are welcome to discuss with the Board individually. But she emphasized that the Task Force wants to encourage the Board to stick to an aggressive economic development approach for the area and consider ways to help new growth contextually fit into surrounding neighborhoods. She concluded by stating that there have been many discussions about the need for strong commercial and mixed-use redevelopment that would increase revenues for the City. The zoning changes and the ease by which development can occur will directly affect the City's ability to attract businesses.

Jennifer Gerend, Edmonds Economic Development Director, referred to the memorandum she prepared to outline the Task Force's recommendations to the Planning Board as follows:

- Refine and expand the list of permitted uses in the CG, CG2, BR and BR2 zones to meet economic development goals.
- Expand the development envelope allowed as-of-right in the CG, CG2, BR and BR2 zones.
- Eliminate conditional use permit processes in the CG-CG2, BR and BR2 zones, where possible, in order to eliminate unnecessary impediments and to streamline redevelopment.
- Recommend adoption of Design Guidelines for the CG and CG2 Highway 99 zones that will allow for administrative review of projects within as-of-right site standards. Also, consider Master Plan options with ADB design review for larger projects.
- Encourage transit-oriented development in the CG, CG2, BR and BR2 zones.
- Utilize zoning, design guidelines, and streetscape enhancements to create districts.
- Recommend adoption of clear policies governing the CG, CG2, BR and BR2 zones that are sensitive to potential impacts on adjacent RS zones.

Next, Ms. Gerend reviewed the existing CG and CG2 zoning regulations. She said that because of their structure within the zoning code, the CG zones have effectively been rendered a "dumping ground" for nearly all uses. The Task Force recommends that the purposes of the zone reflect the City's desire to create a synergistic commercial and retail corridor. In the CG zone, the City should encourage dense commercial and mixed-use development in order to strengthen the local business community, increase revenues for the City, and provide amenities for nearby residential neighborhoods.

Ms. Gerend said the Task Force recommends that the City prohibit certain uses that do not generate significant revenues for the City in the entire CG zones for simplicity. As a starting point, the Board could incorporate the recent moratorium put in place on mobile home parks, storage facilities and ground-floor residential developments. Storage facilities might be a consideration as a secondary use, given design guidelines. She said that, currently, residential uses are prohibited on the ground floor and second story in much of the area, but perhaps this should be expanded to clearly address the entire CG zones.

Ms. Gerend said the Task Force is also recommending some modified site standards in order to prevent existing parcels from being broken up into smaller lots that can become challenging to combine for redevelopment. While some property owners have created separate lots for pad developments, the City could continue to use this practice as part of a master plan.

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Ms. Gerend said the Task Force is also recommending three options for building heights according to the level of review. In the CG zones, the height limits currently stand at 35 feet, and the CG2 height limit is 45 feet. At the present time, a conditional use permit is required in order to build to a greater height, and this is typically considered to be a major hurdle for businesses and developers and may be deterring interested parties. The Task Force is recommending that the height limit be set at 65 feet for the CG and CG2 zones, and projects could be reviewed administratively using design guidelines. A second height option would allow projects up to 80 feet if a master plan were submitted for design review by the Architectural Design Board. Currently, there is no height limit in the Commercial High Rise areas, and this could remain a conditional use permit process.

Ms. Gerend advised that there are many examples of intensifying areas in the region. These range from mixed-use neighborhood-based districts (i.e. top of Queen Anne Hill, Green Lake or Lake City) to larger centers or “new downtowns” (i.e. Redmond Town Center, Mill Creek Town Center). The BR zone is supposed to share some concepts with these center-type developments, but also be unique to Edmonds and the opportunities available (i.e. medical offices, clinics and care centers). She reported that the Task Force reviewed the 2001 draft of the proposed BR zone for the Medical Corridor and has offered several recommendations regarding uses and design. In addition, the Task Force believes that laboratories and limited assembly of goods are two uses that warrant further study as potential primary uses. The Task Force recommends the Board work with Stevens Hospital to consider the impact medical related uses would have on the hospital and medical community. She noted that some fairly strong language was included in the draft BR zone language about laboratories, but the Board should consider allowing smaller laboratory type uses as part of the future expansion of Stevens Hospital while not allowing the larger laboratories. Ms. Gerend said the Board might also want to consider allowing limited food assembly/manufacturing to include potential users such as an ice cream factory or microbrewery. She noted that such users have had a difficult time locating in some existing business zones. The City could consider allowing them as primary uses, but require them to have a retail component on site.

Ms. Gerend said the BR2 zone would be a perfect example of how and where transit oriented development should be placed -- adjacent to services and transit corridors. A lower parking density requirement could be considered to encourage higher-density consistent with transit oriented development while minimizing neighborhood traffic impacts. However, it would be important for the City to have design guidelines that deal with how development fits in with the surrounding single-family neighborhoods.

Board Member Freeman asked how many mobile home parks are located on Highway 99 within the City of Edmonds. Ms. Gerend answered that there is only one in the Edmonds segment of the highway, but there are others in neighboring jurisdictions. She said she recently spoke to the City Attorney, who explained that while the City can prohibit new mobile home parks along Highway 99, they have to allow the existing ones to continue.

Board Member Freeman asked if the Task Force gave any thought to the option of constructing a pedestrian overpass near the bus stop at the Safeway Complex. Chair Young answered that the Task Force is still waiting for the anticipated Pedestrian and Traffic Study to be completed. Ms. Gerend said the consultant for this study has been selected and the contract would come before the City Council for approval at their next meeting. Chair Young said the scope of work for the Pedestrian and Traffic Study would include an overpass as one possible alternative for neighborhood integration and connection. The Task Force agreed that in order to knit the two sides of the community together, it must be easier for people to cross Highway 99 safely on foot. While they do not anticipate support from the Department of Transportation for additional crosswalks, there are possible State funding sources that fall under the category of pedestrian safety. The Federal Transportation Bill also has grant funding for pedestrian safety projects. Ms. Gerend said the City’s Pedestrian and Traffic Study should involve a discussion with the Washington State Department of Transportation about where the City could get permission for traffic signals. Once this has been identified, they could consider options for overpasses.

REVIEW OF EXTENDED AGENDA

Mr. Chave said Ms. Gerend would continue to work on the draft Economic Development Element of the Comprehensive Plan, which would come before the Board for review sometime in early 2006. He also reminded the Board that they placed

their review of the draft language for the BR and BR2 zones on hold until the Highway 99 Task Force completed their work and made recommendations to the Board. Now that the Board has received the Task Force's recommendations, they should move forward with consideration of these two new zone designations. He suggested that the Board review the previous proposal and consider possible changes before holding a public hearing to take the issue forward again. Also, the Board should schedule a review of the Highway 99 Task Force Recommendations on a future agenda. However, they should also keep in mind that the City Council approved funding to hire a consultant to help the City rewrite the Development Code. Over the next two years, the Board would be heavily involved in this process. If the Board could reach an agreement on what they want the new BR and BR2 zones to be, they could recommend amendments to the Development Code as part of the rewrite project.

Mr. Chave suggested the Board move forward to implement the Highway 99 Task Force Recommendations and the new BR and BR2 zone designations as soon as possible. Board Member Dewhirst said the City has been waiting for the momentum on Highway 99 to shift for a long time, and he doesn't want the City to stand in the way of things happening in the area. He would like to implement the necessary changes to the Development Code as soon as possible. The remainder of the Board concurred.

Mr. Chave suggested that Chair Young meet with staff to work out an extended agenda for 2006. The Board could review the extended agenda at their December 14th meeting. Also on December 14th, the Board could begin their discussion regarding the Highway 99 Task Force Recommendations and the existing zoning pattern, as well as review the last proposal for what the BR zoning pattern should look like. A public hearing on the proposed new skate park is also scheduled for December 14th.

Chair Young noted that the extended agenda indicates that the Board would have further discussion on potential amendments to the Edmonds Community Development Code establishing zones and overlay districts intended to implement the Downtown Waterfront component of the Comprehensive Plan. He questioned if the Board still needs to discuss this issue given the current direction of the City Council. Mr. Chave expressed his belief that the Board must make some type of recommendation for action to the City Council. Doing nothing would continue the pattern of bad development that has occurred for the past 25 years. However, the discussion might be less about exact height limits and more about where the height is measured from, etc.

Chair Young pointed out that a report on adult entertainment has been scheduled on the Board's extended agenda for quite some time. Mr. Chave said staff would provide a map for the Board to review showing the buffer areas that are currently required for adult entertainment uses. There is really only a very small area along Highway 99 where the use would be allowed. Board Member Freeman pointed out that Highway 99 is becoming a very important area in the City, and she questioned if it would be possible to accommodate the adult entertainment requirement elsewhere in Edmonds. Mr. Chave said the Board reviewed this issue at length many years ago, and there are no other locations in Edmonds where the use could be accommodated.

Board Member Crim said it would be helpful if staff could provide a packet of all of the information that has been collected to date regarding the proposed new BR and BR2 zones. This would allow the Board Members to refresh their memories prior to continuing their discussion on the matter.

PLANNING BOARD CHAIR COMMENTS

Chair Young provided no comments during this portion of the meeting.

PLANNING BOARD MEMBER COMMENTS

Board Member Freeman thanked the City for sending her to the American Planning Association Conference in October. She said she got a lot of use out of the sessions she attended. The short course for Planning Boards and Commissions was particularly helpful. She said enjoyed the innovative housing tour and received a lot of good ideas. One session talked about

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the need for flexibility in codes to allow for creativity. It was discussed that it is impossible to write a perfect code that does not need to allow any flexibility.

Board Member Dewhirst reported that he went to the American Planning Conference, as well, and said it was one of the better events he has attended. He said he is working on a summary report of the sessions he attended. One particularly good session was on Initiative 37 in Oregon, and the presenter spent the majority of the time talking about the reasons behind the initiative. He said he also attended a session on how to plan in an emotionally charged environment. During the session he briefly explained what is going in Edmonds regarding the height limit in the downtown. Most of the members of the panel were stunned that an additional three feet of height could create such a stir, and the only suggestion they offered was to delay the decision for another year. Everything else they suggested has already been tried by the City, but to no avail.

Board Member Dewhirst said he also went on the Cottage Housing Tour, visiting model developments in Kirkland and Redmond. He said he believes the cottage housing concept could have a place in Edmonds. Edmonds does not have larger parcels for redevelopment, so the cottage housing developments would only consist of a few acres of well-designed units. However, he said it is important to note that cottage housing developments cannot really be considered affordable housing options. People are willing to pay a high price because they offer an incredible sense of community. Single professional people own most of the units that have been built and sold. He summarized that the absolute sense of design and community makes the cottage housing concept something well worth looking into.

Board Member Freeman said the popularity of cottage housing units points to a need for different types of housing options. Except for condominiums, there are no other options for people living alone who want a sense of community and safety. While cottage housing units are not inexpensive, they are relatively affordable compared to a traditional single-family home. She felt that this option would meet the demands of people who live in Edmonds.

ADJOURNMENT

The meeting was adjourned at 8:12 p.m.

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