DRAFT
September 25th Approval

CITY OF EDMONDS
PLANNING BOARD MINUTES

September 11, 2013

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

BOARD MEMBERS PRESENT
John Reed, Chair
Valerie Stewart, Vice Chair
Bill Ellis
Philip Lovell
Neil Tibbott

STAFF PRESENT
Rob Chave, Development Services Director
Stephen Clifton, Community Services/Economic Development Director
Karin Noyes, Recorder

BOARD MEMBERS ABSENT
Kevin Clarke (excused)
Todd Cloutier (excused)
Ian Duncan (excused)

READING/APPROVAL OF MINUTES

BOARD MEMBER LOVELL MOVED THAT THE MINUTES OF AUGUST 28, 2013 BE APPROVED AS AMENDED. BOARD MEMBER TIBBOTT SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ANNOUNCEMENT OF AGENDA

The agenda was accepted as presented.

AUDIENCE COMMENTS

Rich Senderoff, Edmonds, advised that he is a member of the Economic Development Commission (EDC) and participates on the Land Use Subcommittee. He clarified that he was not present to speak on behalf of the Land Use Subcommittee or the EDC, but it is fair to presume that his comments reflect the subcommittee's discussion regarding the proposal to limit certain office uses within the Downtown Business (BD) 1 zone. He noted that the goal of the proposal is "*To preserve and strengthen the distinctive character and charm of downtown Edmonds by providing opportunities for retail/entertainment oriented establishments to cluster for the convenience of the public and to create mutually beneficial business relationships thereby creating a dedicated area for 'destination retail/entertainment.'*"

Mr. Senderoff recognized the efforts of the Planning Board to put forward a similar concept for discussion in 2011. While the City Council considered the concept, they did not take action to move it forward. It was noted that more background information was necessary to support the concept.

Mr. Senderoff voiced his support for the current proposal. He pointed out that all of the comments he has made in various City meetings over the past several years reflect that he is a strong supporter of traditional values in Edmonds, and he believes the proposal falls within that realm. He said it is important to note that the the goal statement mentions the "distinctive character and charm of Edmonds," and the City should build on this. He observed that all candidates for City Council positions in recent years have made the "character and charm of Edmonds" a platform of their campaign.

Mr. Senderoff clarified that the proposed change is not intended to impose upon property owners. In fact, Mr. Clifton has taken the lead in conversations with property owners who are generally supportive of the concept. The goal of the proposal is to put forth a program that benefits the investment potential of property owners, the success of businesses, and the community values important to residents and tourists to downtown Edmonds.

Mr. Senderoff advised that, during their deliberations on the proposal, the EDC had lengthy discussions about the uses that should be permitted in the BD1 zone, particularly real estate offices. The City Council discussed this issue, as well. It was discussed that people typically stop and look at the pictures of properties for sale within the City, and this swayed the EDC's decision to allow real estate uses in the BD1 zone. It is also important to keep in mind that real estate will always be a significant component of the City's economy. While the EDC is recommending that real estate offices be allowed, the proposed change does not specifically point that out. Instead, real estate uses would simply fall under the category of "service." He suggested that in order to provide clarity, a note could be added below the use table (ECDC 16.43-1) to provide specific examples of service uses that would be allowed and disallowed. This would help clarify the issue as the proposal moves forward to the City Council.

DISCUSSION ON PROPOSAL TO LIMIT CERTAIN OFFICE USES FROM LOCATING IN BUSINESS SPACES ALONG DESIGNATED GROUND FLOOR STREET FRONTAGES WITHIN THE DOWNTOWN BUSINESS (BD) 1 ZONE

Mr. Clifton advised that the proposal to limit certain offices uses from locating in businesses spaces along designated ground floor street frontages within the BD1 zone has been discussed by the City Council, Planning Board and Economic Development Commission since early 2011. He referred to the Staff Report, which contains the following documents:

- Attachment 1 is titled, "Creating Economic Vitality – An Edmonds City Center That is Economically Strong, Thriving, Lively and Social." The document was prepared by the EDC and provides a summary and introduction, as well as references to City documents and various reasons cited by Roger Brooks for supporting the proposal. He noted that while the agenda titles the proposal as "limiting certain offices uses from locating in business spaces along designated ground floor street frontages within the BD1 zone," the issue paper is actually titled, "Creating Economic Vitality – An Edmonds City Center that is Economically Strong, Thriving, Lively and Social. He summarized that the issue paper's title more accurately reflects the true goal of the proposal.

- Attachment 2 provides a chronology of events. Because the process has been going on for 2.5 years, he felt it would be helpful to put together a list of all the Planning Board, City Council and EDC agendas related to the topic. The City's website provides links to the meeting agendas and minutes for these various meetings. In addition to these meetings, members of the Planning Board and EDC participated in a field trip to the City of Kirkland to meet with Eric Shields, Kirkland Planning Director. Staff also met with property owners within the BD1 zone on two occasions to discuss the concept and solicit feedback.

- Attachment 3 is a map depicting the boundary of the BD1 zone.

- Attachment 4 is an inventory of businesses located along the ground floor street frontages within the BD1 zone. The inventory was prepared at the request of property owners at a May 13, 2013 meeting with staff. The property owners wanted a better understanding of how many businesses and property owners would be affected by the proposed change. The business spaces highlighted in yellow are those that would be affected under the proposal.

Mr. Clifton said his comments are intended to explain why consideration should be given to restricting and promoting certain uses along designated ground level street frontages within the BD1 zone. He recalled that the proposed concept was raised, in part, as a result of past conversations with property owners and leasing agents, and looking at what other cities are doing to

create a stronger retail and entertainment core. He observed that the concept or goal of creating a stronger retail core within the City of Edmonds actually goes back to 2006. Policy 2.i in the adopted Economic Development Plan states, "create synergy for commercial businesses where possible, for example, by implementing a retail core area in the downtown."

Mr. Clifton explained that another way to phrase the proposal is "how can the community open up more opportunities for retail dining, specialty shops, entertainment venues, and galleries within a concentrated area. He pointed out that the land use goals and strategies for many downtown areas incorporate prominent themes: a central gathering place, a sense of place, connectivity and density. In order to achieve these objectives, downtowns need economic development and vitality, safety, housing, businesses and tourism. A vibrant retail service core helps advance these objectives.

Mr. Clifton stated his belief that retail restaurants and open-door service uses, particularly those that are independently owned, add to Edmonds distinctiveness because they are the most visible elements within the downtown core of Edmonds. As stated in 2010 email he sent to a property owner, "Edmonds' unique downtown character is defined by the diversity and concentration of complimentary commercial uses such as restaurants, cafes, art galleries, house wares, books, garden supplies, specialty boutiques, etc. These uses generate pedestrian activity and a lively social environment that, in turn, sustain a mix of uses. A critical mass of this type of activity will also help create the drawing power of a central, commercial, retail sector. While pure, by-appointment office uses have the ability and the flexibility to open in more locations within commercial areas, uses such as retail stores, restaurants, art galleries, etc. have limited business spaces and stock and thrive best when there is a concentration of similar uses.

Mr. Clifton reported that the City and business community have been working to attract businesses that will help bring life to the City's downtown streets during the weekend and evening hours, and it is starting to pay off. He noted at a public meeting hosted by the City of Edmonds on November 8, 2012, Roger Brooks, Destination Development, Inc., spoke of the 20 critical ingredients of an outstanding downtown. Two of the ingredients relate to how clustering like businesses works and the power in critical mass. Mr. Brooks noted that, "a city can spend millions of dollars on beautification, public parking, street trees, façade improvements, and a host of other things. While this helps improve the physical environment, a downtown can still be lifeless." He said he experienced this on a recent trip to downtown Phoenix where the streetscape was absolutely beautiful, but there were very few people on the streets. He commented that what makes a downtown work, as a community center and gathering place, is what is happening in the buildings. It is important to have businesses along the streetscape that attract people.

Mr. Clifton pointed out that office uses typically close in the early evenings and on weekends, creating less lively and darker streetscapes. The resulting impression of the area is that it is not inviting, thriving, interesting or friendly to walk around. A healthy retail core is also important for maintaining safe streets in many central cities. According to the document, *Crime Prevention Through Environmental Design Guidelines*, businesses on the ground floor provide eyes on the street and deter criminal activity. Retail restaurants, art galleries, etc. stay open for longer periods of time than office uses, thus providing more activity on the street beyond 5:00 and 6:00 p.m. The proposal before the Board, over time, is expected to help create a more concentrated, festival retail environment that does not close up after 5:00 or 6:00 p.m. It will result in a downtown core that invites people to hang out and enjoy the environment later into the evening.

Regarding intensity or density, Mr. Clifton explained that retail, restaurant, art gallery, and active service uses can also help stimulate housing and business development within the downtown areas. They often provide essential services to the City residents living and working downtown. This can be partially attributed to the vibrancy that these uses add to the downtown streets.

Regarding tourism, Mr. Clifton advised that a strong retail, restaurant, gallery, and active service core helps attract shoppers and tourists. He noted that tourists invest significant amounts of money into many city, county and state economies. In fact, tourism is the State's fourth largest industry. It supports businesses and their employees, and downtown Edmonds is home to many independent retailers and restaurants. When tourists are shopping downtown, they are supporting the growth of smaller, independent businesses. Conversely, negative fluctuations in the retail market, such as the absence of a critical mass, can result in vacant store fronts, thus affecting the street environment and eventually weakening the vitality of the downtown core. He emphasized that retail and active service uses are a critical part of sustaining the health of the downtown.

Mr. Clifton recommended that a city and business community can help and should orchestrate the business mix. Expressing support to establish a retail, dining, entertaining, or festival core will help guide the types of businesses the City wants to recruit. This concept applies to the City, the Chamber, landlords and leasing agents. He highlighted that if there is no concerted effort to fill spaces within certain areas, there will be less incentive or motivation to search for the types of activities or businesses that would help increase the drawing power of the central, commercial retail sector.

Mr. Clifton pointed out that the proposal is directly tied to several of the items identified in Mr. Brook's "20 Ingredients of an Outstanding Downtown. He specifically noted the following:

- **Nearly all begin with a plan.** The Economic Development Plan calls for creating a retail core, and several Comprehensive and Economic Development Plan goals and policies support this effort. (See Attachment 1)

- **Defining a strong brand a retail focus.** If the City can increase the critical mass, they can brand the downtown as being a retail area. Mr. Brooks referenced Walnut Creek, CA, which is similar in size to the City of Edmonds. There are 85 restaurants in their downtown, and they have actually branded the downtown as "The Walnut Collection." Anything that is purchased from Walnut Creek has this brand on it. It would be great for the City to study this option.

- **Orchestrating recruitment of "critical mass" or "clustering."** The issue paper (Attachment 1) that was created by the EDC's Land Use Subcommittee, references several statements by Mr. Brooks regarding the importance of critical mass and the power of clustering.

- **Start with a demonstration project.** Three primary issues were highlighted throughout the process: defining the boundary, what kinds of uses should be allowed, a grandfathering existing uses. A lot of people have suggested that the concept be expanded to a larger geographic area. However, because the BD1 zone has the highest concentration of retail uses, he felt the City should start by using this zone as a demonstration project. If it is successful in the BD1 zone, it could be expanded at some point in the future.

- **Develop a gathering place.** Over time, as the City starts to develop a critical mass in the BD1 zone, a stronger gathering place will be created. Sidewalk cafes and outdoor dining will increase, as illustrated by the Main Street Project.

- **Invest heavily in retail beautification.** He has been pointing out the strong concentration of "beige" color to property owners in the BD1 zone. Conversations are also taking place at the Downtown Edmonds Merchants Association. Several buildings have been repainted recently, using colors that make the buildings "pop."

Mr. Clifton emphasized that the Economic Development Commission unanimously supports the proposal, and they discussed the issue at length. He also reported the he conducted two meetings with owners of property within the BD1 zone: May 13th and September 4th. Roger Brooks was invited to attend the May 13th meeting to provide examples and reasons for creating critical mass and what it can do to increase rents for landlords and increase retail sales for businesses. The discussion was spirited and animated. At the conclusion of the meeting, Mr. Brooks invited the participants to share their feelings on the proposal. Several property owners expressed support, and others wanted to continue the conversation. No one expressed opposition to the proposal. All of the property owners in attendance at the September 4th meeting expressed support for the proposal. He emphasized that the proposal will not only have a positive impact on the community, but it will have a direct affect on the people who own the properties and buildings. They deserve to be a part of the conversation.

Mr. Clifton said staff conducted a significant amount of research regarding the proposed concept. He particularly highlighted the following:

- The City of Kirkland, a close neighbor, has restricted office uses from the ground floor in its core downtown since 1990. Members of the Planning Board and EDC met with Eric Shields, Kirkland Planning Director, and toured downtown Kirkland. Mr. Shields reported that the concept has worked effectively in Kirkland. However, he noted that because of the significance of the economic downturn, they provided some flexibility to their 90-day non-conformance provision.

- The City of Escondido, CA, conducted an effort to reserve the downtown storefronts for shopping, dining and entertainment. Their goal was and is to reserve downtown storefronts for upscale restaurants and businesses that attract shoppers and nightlife.

- The Cities of Minneapolis/St. Paul, MN, have a policy to maintain a compact retail core by concentrating major retail facilities within an area designated as the retail district. The retail district serves as the primary center of retail activity in the downtown. They intend to provide a continuous retail presence within the retail district by requiring retail uses on both the street and the skyway levels. Restaurants and other entertainment uses that compliment retail uses are also encouraged at the street and skyway levels.

- In 2007, the City of Ensenada, CA, a proposal to preserve their downtown by restricting its ground floor space to retail businesses received unanimous support from their City Council. The proposal was to preserve the downtown by restricting its ground floor to retail businesses.

Mr. Clifton referred to the proposed changes to Table 16.43-1, which highlights the uses allowed and not allowed in the BD1 GFSF spaces. He noted that, as proposed, businesses with drive-through facilities would be prohibited in the BD1 zone. He said this should not be a problem for banks in the future. He heard a recent report where Bank of America will cease their drive-through operations, and that tends to be the direction many banks are moving towards. From his perspective, drive-through businesses should not be allowed in the downtown core; it is a significant waste of land needed for business spaces and critical mass.

Mr. Clifton referred to the spreadsheet that lists the businesses currently located in the BD1 zone, particularly identifying those that would be affected by the proposal. He specifically noted that banks would be allowed in the BD1 zone if they had tellers, but not drive-through facilities. He referred to the note at the top of the inventory list and emphasized that although several businesses would be affected by the proposal, it is important to keep in mind that existing businesses would not be required to relocate or cease operations. It is not the City's intent to encourage existing offices to leave the BD1 zone. Only when owners choose to vacate businesses would these spaces need to be filled with an allowable use. Owners would have the ability to fill the vacated space with a similar use to the one that left, if it is done within 180 days or six months from the date a space is vacated.

Board Member Lovell referred to Attachment 2, which outlines a chronology of events. He noted that the first item on the list should make it clear that the Planning Board's discussion about potential amendments to the BD1 zone took place in 2011. He also pointed out that the proposal would simply amend Table 16.43-1, and would not provide any additional narrative. Mr. Clifton responded that the proposal would not change the narrative in the current code. An additional column would be added to the table to identify the uses that would and would not be permitted in the BD1 ground floor street front (GFSF) spaces. Board Member Lovell asked if staff believes the existing narrative related to the BD1 zone would support the proposed changes to the table. Mr. Clifton answered affirmatively. He referred to the note located below the table, which provides a definition for the term "Ground Floor Designated Street Frontage (GFSF)" as the "first 45 feet measured from public rights-of-way." A note was also provided to explain that services not providing open door/retail/dining/entertainment functions as a primary component of the business would not be allowed within the BD1 GFSF areas. However, it might be helpful to add a specific definition for what is meant by "open door."

Chair Reed asked if the proposal would alter any of the current requirements for development in the BD1 zone. Mr. Clifton explained that the easiest way to show what is being proposed is to create a new column in Table 16.43-1. However, the design requirements of the BD1 zone would remain unchanged. He expressed his belief that the current proposal provides more clarity than the proposal that went before the City Council in 2011.

Board Member Lovell requested an explanation of how the proposal would impact a property owner's ability to provide multi-family residential uses. Mr. Clifton answered that residential uses would not be allowed within the areas designated as BD1 GFSF. However, residential uses would be allowed behind the 45-foot street front spaces and in the upper floors. Mr. Chave suggested that it might be helpful to add a reference in the footnote to the applicable chapter in the code to provide more clarity.

Mr. Clifton pointed out that the proposal would be difficult to apply to structures that are setback significantly from the sidewalk. It might also be difficult to apply the proposal to structures that are occupied by a number of different businesses. In these cases, it will be difficult to have the spaces vacated in any significant quantity to create retail space along the street frontage. He suggested that perhaps a provision should be included in the proposal to address these situations.

Board Member Lovell pointed out that real estate offices were not highlighted on the inventory as uses that would be prohibited by the proposed change. Mr. Clifton said that, as proposed by the EDC, real estate uses would be allowed. While this is not stated outright in the proposal, it is not listed as a prohibited use, either. He suggested they may want to add some qualifying language to make this clearer. He reminded the Board that real estate offices are typically open door service uses that bring in customers.

Mr. Clifton said the EDC also had a significant discussion about whether or not banks should be allowed in the BD1 GFSF areas. He explained that, as per the proposed amendment, banks would be allowed in the BD1 GFSF areas, but only if they have tellers and no drive-through facilities.

Board Member Tibbott noted that, oftentimes, real estate offices are open beyond 6:00 p.m., and they typically have window displays. He asked if there has been any discussion about requirements or suggestions for window displays in the BD1 zone. Mr. Clifton said Ms. Chapin has been working to find ways to get art within windows of vacated businesses spaces that are waiting to be filled. Mr. Chave said there is a requirement in the BD1 zone that street front windows cannot be obscured. Board Member Tibbott suggested, and Mr. Clifton concurred, that it might be appropriate to provide some guidelines or suggestions for displaying merchandise.

Mr. Clifton referred to Table 16.43-1 and noted that there are several categories listed for medical uses. For example, optometry and physical therapy offices would be allowed in the BD1 GFSF areas if they include a retail component. He reported that the City of Kirkland addressed this issue creatively when a physical therapist wanted to locate in the heart of the downtown. The use was allowed, as long as the business provided retail items within the first 30 feet, with the massage tables and equipment located behind. From the street, the business looks like a retail athletic store. Board Member Tibbott asked if would be conceivable that a counseling center could have a bookstore or other items for sale in the front portion of the building. Mr. Clifton agreed this would be possible, but highly unlikely. He also noted that nearly 100% of the customers for a counseling business would be by appointment, and the City's goal is to encourage open-door types of businesses.

Board Member Tibbott noted that there was a lot of business turnover in Kirkland prior to the recession, with even more turnover during the recession. It is his understanding that there was not enough residential traffic in that part of downtown until additional density was created by high-rise condominiums. He asked how important it is to have residential development in or near the downtown to support the types of activities that are desirable in the BD1 zone. Mr. Clifton answered that residential development is very important. He announced that an application for a mixed-use development was presented to the Architectural Design Board. The project would include retail space for the post office, as well as residential units. Other potential residential properties are on the market, as well. He summarized that Edmonds has a high concentration of residentially-developed properties within the downtown or in close proximity compared to other downtowns in the Puget Sound area. He agreed that more residential development is desirable, and there are properties that can accommodate this growth.

Board Member Tibbott asked if there have been studies to identify whether it is better to have one floor or two floors of residential space above retail commercial development. Mr. Clifton advised that the post office proposal identifies a three-story building. The north half would have three levels of residential units, with two levels of residential units above the post office space. Aided by the slight grade change on the property, the applicant was able to make the proposal work within the existing height limit. Using new construction techniques, the developer is proposing 7-inch floors and a thinner roof that is somewhat flat.

Vice Chair Stewart suggested that the key to density is to draw the kinds of population the City needs. They always talk about the need to bring in Generation Y (born between 1980 and 2000) and young professionals so there is activity for younger people. She hopes that continues to be the City's goal. The height limit makes this difficult and presents challenges to developers who want to incorporate green elements to make projects more efficient. Mr. Clifton referred to an article that

Vice Chair Stewart forwarded to staff about what Generation Y is looking for. They are driving less, and they want to be within a walkable distance of amenities, retail and entertainment. It is important to keep in mind that retirees want the same things. He noted that this is spot on with the comments made to the City Council in 2005 by Mark Hinshaw. Surveys and interviews show that this is the direction the populous is moving towards.

Vice Chair Stewart recalled that she and former Board Member Johnson did an inventory of the existing businesses in the BD1 zone and found there were 10 health and beauty services. She asked if Kirkland allows beauty and nail salons at the street front. Mr. Clifton said most cities, including Kirkland, do not preclude beauty salons. Most of these businesses are open door, and many are open until 9:00 p.m. Vice Chair Stewart suggested the Board consider limiting the percentage of beauty service businesses in the retail core to provide more space for the types of retail uses they want to encourage.

Vice Chair Stewart suggested that play areas along the street front can be very useful in providing a place for parents to gather while their children play. Mr. Clifton said the proposal would not preclude play areas from being located in plaza areas. However, daycare centers would be prohibited.

Vice Chair Stewart agreed with Board Member Tibbott that the Board should provide some guidance related to window displays. While she understands the need for privacy screens, they do not encourage a pedestrian environment. Mr. Clifton said that is just one reason why medical uses are not desirable on the ground floor in the downtown retail core. Because of HIPAA privacy laws, patients must be screened. Placing screens up in the windows is contrary to the intent of the proposal.

Vice Chair Stewart asked if other cities allow fitness facilities on the ground floor street front within the downtown retail core. Mr. Clifton answered that these uses are typically not allowed. He noted that the Yoga business on Main Street has papered over all of the windows, which creates dead space for pedestrians walking along the street. It would be better for this business to be located along the back of the building, opening the street front space for retail uses.

Vice Chair Stewart asked if property owners in other downtowns have tweaked their lease agreements to somehow encourage the right kinds of businesses. She noted that many of the buildings in downtown Edmonds are paid for, so owners can sit back and wait several months before they agree to lower the rents to attract the desired retail uses for the downtown. Mr. Clifton clarified that, under the current proposal, the faster a property owner fills the space, the more flexibility he/she has. If they wait until the six-month time frame expires, they will be required to fill the space with the uses allowed. Vice Chair Stewart expressed concern that the proposal is not strong enough to move towards getting different uses in the spaces. She suggested that the City could provide incentives that would encourage property owners to fill the spaces with the right kinds of uses. Mr. Clifton said this was discussed in 2011. Because of the recession, no one wanted to tamper with the six-month timeframe. However, the Board could recommend a reduction in the timeframe for the non-conformance provision. Mr. Chave noted that a six-month time frame applies to all non-conformances in the City. However, the City could make an exception that applies specifically to uses in the BD1 zone. Again, Vice Chair Stewart expressed her belief that the City should be more proactive. Mr. Chave explained that, if the proposed amendment is adopted, the City would not lose ground on the amount of retail space in the BD1 zone; they would only gain ground. Although it may be a slow process, the City would be moving in the right direction. Mr. Clifton expressed concern that if the City shortens the timeframe for non-conformance, the support from property owners could be reduced.

Mr. Clifton said it is important to understand that change will not happen overnight. It will only occur as business spaces are vacated. A business that is prohibited under the new proposal may not vacate for several years. But at least the proposal would move the City forward. He pointed out that he has been contacted by three business owners who want to locate in the downtown core, but they cannot find the right space. They need smaller spaces, many of which are occupied by businesses that would no longer be permitted per the proposal. The more inventory they create, the more flexibility there will be over time. Vice Chair Stewart questioned if the larger spaces could be broken into smaller spaces. Mr. Clifton agreed that is possible and has been done is some cases. He said he has been working with representatives of Wallace Properties, owners of the building at 5th Avenue North and Dayton Street, to encourage them to lease the space for uses that add life and vitality to the downtown.

Board Member Lovell recalled that when they looked at the plans to redo Main Street between 5th and 6th Avenues North, there was going to be wider sidewalks and diagonal parking on one side only. Instead, they ended up with parking on both sides. Mr. Clifton said diagonal parking was never part of the proposal.

Board Member Lovell said he has heard that property owners are supportive, but they are not enthusiastic about the proposed change. Mr. Clifton said that a few property owners are enthusiastic. Board Member Lovell noted that there are retailers who want to locate in Edmonds but cannot afford the high rents. In addition, they do not need the large spaces that are currently available. He asked if this issue was raised in staff's discussion with property owners. Mr. Clifton answered no. He commented that approximately 20 of the 51 property owners in the BD1 zone attended at least one public meetings. However, he has also spoken with property owners who didn't attend either meeting. They are very supportive and willing to write letters. A few of the property owners who are very supportive of the proposal own multiple properties in the BD1 zone, which carries a lot of weight.

Board Member Lovell referred to the second to the last bulleted item on Page 5 of Attachment 1, which talks about how the large number of one and two-story buildings in downtown Edmonds and the low height limit makes it challenging to get the density of customers necessary to allow more sparse retail to survive without the synergy from a consistent clustering of retail/service uses. He asked if that also means that if the City allowed taller buildings, there would be a denser population in the downtown to support a less concentrated retail core. Mr. Chave said he interprets the statement to mean that because Edmonds doesn't have as much density as it might, given the existing situation, synergy is that much more critical.

Chair Reed thanked the EDC for the effort they put into the proposal. He said he recently sent out a copy of the four proposed amendments to the BD1 zone put forward by the Planning Board in 2011, which included limiting certain office uses from locating along the ground floor of designated street frontages within the BD1 zone. He noted that, at that time, the Board only made minor changes to Table 16.43-1. The current proposal provides a lot more information, but it also raises some questions the Board must be clear on. For example, it may be necessary to expand the definition for "services" to be more specific on the types of service businesses that would and would not be allowed. Mr. Clifton invited the Board to comment on the proposed changes to Table 16.43-1. He advised that the proposed changes to the table were reviewed by the Planning Department staff, and they made a number of comments and suggestions that were incorporated into the table.

Chair Reed expressed his belief that Attachment 1 is a good document. Mr. Clifton thanked the Land Use Subcommittee for creating the executive summary (Attachment 1) page. It is helpful for people who don't have time to read all of the detailed information. Chair Reed commented that while the summary includes too much information to incorporate in the zoning code, perhaps some of the language could be included in the Comprehensive Plan. Mr. Clifton and Mr. Chave agreed that it may be appropriate to incorporate at least some language from the document into the Economic Development Element of the Comprehensive Plan.

Chair Reed recalled Mr. Clifton's earlier comment that it may be difficult to implement the proposal on certain properties in the BD1 zone because they are set back a greater distance from the sidewalk. He suggested it would be appropriate to add another footnote at the end of the table to address these situations. Mr. Clifton concurred. Mr. Chave said another approach would be to include a provision that allows the Economic Development Director the authority to grant exceptions for unusual configurations of existing buildings and properties. However, the exception would not apply to new construction.

Vice Chair Stewart asked if non-profit businesses would be allowed to locate in the street fronts. She also asked if religious services would be allowed. Mr. Chave commented that it is difficult to identify allowed uses according to ownership or the profit or non-profit status. Use must be addressed by what actually takes place in the building. Mr. Clifton agreed and reminded the Board that the goal is to encourage open-door businesses, and some non-profit businesses meet this criteria. He added that some religious services have associated retail components, which would be allowed.

Vice Chair Stewart indicated her support of the proposal, but she would like the Board to consider shortening the vacancy period for non-conforming uses to three months instead of six months.

Board Member Tibbott said it sounds like staff actively keeps a list of potential tenants for businesses. If a non-conforming use were to vacate a site, staff could provide a list of potential tenants to property owners. This would provide incentive for property owners to fill the spaces as soon as possible. Mr. Clifton said he already provides this service. Board Member Tibbott said it is helpful to know that the City has a plan in place, and staff is very interested and being proactive to fill the spaces with appropriate uses. Mr. Chave said this is the critical element that makes the proposal work. If the City writes too much into the regulations, it tends to handcuff their possibilities. Regulations that clearly indicate what is desirable yet still

provide some flexibility can be paired with marketing and outreach to form a whole. Doing one without the other will not likely be successful.

Board Member Lovell said he agrees with the EDC's recommendation that real estate sales office should be allowed. He suggested that additional language should be added to the note that is located below Table 16.43-1. Mr. Clifton agreed that this would provide greater clarity.

Board Member Ellis observed that certain types of services do not contribute to the goal of having a vibrant downtown. He asked how they can draw the line between the businesses they want and the ones they don't. It seems that the goal is to get people downtown to walk from business to business. While some service uses do this implicitly, he is uncertain how others will fit into the goal. Mr. Chave advised that the footnote below Table 16.43-1 was an attempt to describe the types of services uses that are desirable. He agreed that additional language could be added for clarity. For example, they could include examples. Vice Chair Stewart suggested that a footnote be added to encourage service and retail uses that have evening business hours.

Board Member Tibbott asked if it is possible for the City to partner with a private property owner to create a gathering space on property that is vacant or underutilized (i.e. a live music venue). He felt this type of use would create additional synergy in the downtown core. Mr. Clifton agreed to research this opportunity and report back.

Board Member Ellis asked if staff has any feel for how much retail trade must occur before a service becomes a retail establishment. Mr. Chave said the classification would be based on the business's primary activity.

Mr. Clifton said he worked with the City's Information and Technology and Financial Departments to prepare a matrix and map for his presentation to the Chamber regarding economic development. The City's Strategic Plan calls for finding some way to measure whether the City codes and current business recruitment efforts are being manifested in an increase in sales and use tax revenue. The matrix identifies property valuations and the sales and use tax revenue generated by each of the geographic areas (downtown, Five Corners, Westgate, Highway 99, Firdale Village, and Perrinville) for 2011 and 2012. He noted that Highway 99 generates five times the sales and use tax revenue as the downtown. He noted that the information is available to Board Members upon request.

The Board scheduled a public hearing on the proposal for October 9th. Mr. Clifton indicated that a notice would be sent to all property owners in the BD1 zone. Chair Reed agreed to meet with Mr. Chave and Mr. Clifton to review the updated draft prior to the public hearing.

CONTINUED WORK ON THE WESTGATE PLAN

Mr. Chave said the purpose of the work session is to explore in more detail two prominent parts of the proposed form-based code for Westgate: the amenity/open space and green factor section and the height bonus section. He specifically asked the Board to provide direction on whether they reflect the Board's priorities and provide the appropriate balance to achieve the intended goals.

Mr. Chave referred to the Westgate Height Bonus Score Sheet (Item 6.5.3) and noted that at least one item in each of the categories (housing, green building, green factor, amenity space, and alternative transportation) is required for any development in the Westgate area. In order to obtain an additional story of height, an applicant would have to earn a total of 8 points, and the points must be spread over four different categories. A total of 12 points would be required in exchange for an additional two stories in height. He asked the Board to provide feedback about whether or not the points required are sufficient to obtain the additional height.

Mr. Chave said he is not sure it is beneficial to include so many detailed options in the Housing Unit Size Category. He pointed out that most of the categories are not additive. For example, in the Green Building Category, a developer that obtains a LEED Gold rating would not also get credit for meeting the LEED Silver requirements. However, a developer could receive one point for each of the items in the Housing and Transportation Categories. He suggested that this needs to be clarified.

Mr. Chave noted that the weighting is important. For example, providing an amenity space that is greater than 30% of the total property requires a large piece of land. Therefore, the larger score (4 points) is warranted. He also said Living Building status is very difficult to achieve, and perhaps four points is not enough. It is at least a couple of orders of magnitude more difficult to get from LEED Platinum to Living Building. If the Board wants to encourage Living Building, they could consider increasing the points. He noted that a developer has to meet numerous requirements to obtain Living Building status, which includes landscaping, surfaces, etc.

Board Member Lovell recalled that three of the four quadrants at Westgate have relatively steep slopes at the perimeter. The Board discussed the need to take advantage of the topography and allow buildings to be constructed back into the hill so that at-grade parking could be accommodated under the buildings without penalizing the available height of the rest of the building. However, recent development in the area placed the building away from the retaining wall to accommodate the required fire lane. Mr. Chave clarified that the intent was never to push taller buildings into the hillside. The idea was that if the hillside is there, having a tall building somewhere on the site would have much less impact to surrounding residents. If the City encourages buildings to be pushed back into the slope, some of the natural buffer between the site and the residential properties would be eliminated. Rather than encouraging developers to build back into the hillside as far as possible, they should encourage them to retain as much of the hillside as possible. He reminded the Board of their discussion about the desirability of having buildings located closer to the traveled way rather than pushed back. He noted that four and five-story buildings may also require stepbacks.

Board Member Lovell asked what benefit the City would receive by allowing taller buildings at Westgate. Mr. Chave said a lot of discussion in the Westgate Plan focuses on having greater proportions of smaller units that attract younger households who might find an active environment more desirable. Smaller units are typically more affordable, as well. The Green Building options would have broad benefits to the City. They are better for the climate and they put less stress on City facilities. In addition, the Green Factor options would have direct benefits to the City by providing more green space and landscaping, which people find attractive. Amenity space would be geared towards meeting space or public active areas, which also benefit the community. He said the City has been encouraging charging facilities for electric vehicles to reduce the amount of emissions. Car share, parking and bicycle options help reduce the number of vehicles or vehicle miles traveled in the City. The intent is that the items on the list will benefit the City or the general public in some way.

Chair Reed referred to Figure 6.5-1, which identifies the parcels that are eligible for the 5th-story height bonus, as well as areas that are not eligible for development because the slope is greater than 8 degrees. He asked if the figure should be updated to reflect the step back requirement. Mr. Chave suggested that rather than revising Figure 6.5-1, an additional figure could be added to identify properties that are eligible for four and five stories, and where stepbacks would be required. He said Figure 6.5-1 is particularly important to make it clear that buildings cannot be set so far back into the hillside that the green barrier is eroded.

Mr. Chave recalled previous discussion that the City should not necessarily force buildings to the 10-foot setback, and it would not be a requirement. However, if buildings are setback greater than 10 feet, it is important to provide connections and additional open space in the intervening area so at least there is still a presence or a way to get to the street front.

Again, Mr. Chave clarified that Figure 6.5-1 was intended to identify where development would not be allowed because of steep slopes and where five-story development would be allowed. Four-story development would be allowed on any of the other parcels within the Westgate area, except where the slope is greater than 8 degrees. He suggested that an additional color be added to the map to identify the properties that are eligible for four-story development.

Board Member Lovell recalled that early in the planning process, two or three concepts were initially developed for Westgate. One was centered around the concept of creating significant landscape buffers between the buildings and the highway, particularly along SR-104. He asked if it would be appropriate to include this concept in the plan. Mr. Chave explained that the Green Factor and Amenity Categories are meant to deal with the interstitial space around buildings. These categories are weighted fairly heavily compared to other categories.

Mr. Chave expressed concern that the options listed in the Alternative Transportation Category are not well defined. For example, how many electric charging stations should be required? In looking at the overall rating system, he suggested that the most important categories are the Green Building, Green Factor and Amenity Space Categories. These are weighted

more than the other categories. If the Board believes these categories are even more important, they could increase the scores. Another option would be to require at least one point in each of these three categories. He summarized that the scoring system should reflect the City's priorities.

Board Member Ellis asked who created the height bonus score sheet. Mr. Chave answered that it was created by the University of Washington team. Board Member Ellis asked how the points were assigned to each of the credit options, particularly those related to housing unit size. Mr. Chave said the numbers were based on available information. Board Member Ellis noted that, as currently proposed, it appears the City wants to discourage units that are greater than 1,400 square feet. Mr. Chave agreed that the goal is to encourage smaller, affordable units in the Westgate area.

Board Member Ellis expressed his belief that some of the scores seem arbitrary. Mr. Chave agreed. For example, perhaps it would not be appropriate to offer a point for each of the housing ranges. If the goal is to encourage affordable units, then perhaps more points could be offered to developers who provide smaller units. Perhaps it is overkill to have so many housing credit options. As currently proposed, an applicant could accumulate half of the needed points for an additional story just by meeting the four credits in the Housing Unit Size option.

Board Member Ellis asked if it would be possible to encourage property owners to aggregate amenity spaces to create large rather than small spaces on each lot. Mr. Chave answered that this would require that small properties be developed as a group. However, large properties have flexibility to consolidate the amenity space to create a larger area. Board Member Ellis questioned the benefit of creating a lot of small amenity spaces on the individual properties. He felt larger amenity spaces that provide enough room for people to congregate would be more valuable. Mr. Chave said he does not anticipate a significant problem since there are not a lot of small property ownerships in the Westgate area. The language would allow a property owner to develop one property and consolidate the amenity space on another property that is under the same ownership.

Board Member Ellis agreed that more specificity is needed for the Alternative Transportation options. He asked if the credits could be better related to things the City of Edmonds wants to encourage. Mr. Chave said most of the options are aimed at discouraging people from using private cars. Electric cars would have no emissions compared to gasoline, and the Sustainability and Transportation Elements in the Comprehensive Plan both call out the need for more charging stations. Car share parking encourages people to share vehicles, which results in fewer cars on the road. The goal is to maximize the use of the transportation facilities that already exist. However, he agreed that the Alternative Transportation options could be more specific. Another issue to consider is whether it would be appropriate to allow a developer to get more than half of the required points for an additional story by doing all of the credits in this one category.

Board Member Ellis said that as he reviewed the Height Bonus Score Sheet in preparation for the meeting, he found he had insufficient information to judge whether or not the points proposed for the various credit options are appropriate. Mr. Chave explained that without detailed studies looking at the economic benefit of each of the credit options, the City must rely on experience. Once implemented, the City can keep track of what developers actually choose to get an idea of what is valuable and what is not. He noted that it is easy to get a feel for how difficult and costly some of the credit options will be to implement. Developers will probably not choose the more costly options unless the City offers more points. He said he would prefer that developers focus more on the Green Building, Green Factor, and Amenity Space options and less on the Housing Unit Size and Alternative Transportation options. Board Member Ellis said he would benefit from the Planning staff's input as to what credit options would be better suited to the City's goals.

Board Member Ellis noted that the Height Bonus Score Sheet only applies to developers who are trying to obtain additional height. Mr. Chave noted that the required options would apply to all development in the Westgate area, regardless of height. He suggested that this should be clarified.

Chair Reed asked if there are other bonuses the City could offer besides height such as financial incentives or tax credits. Mr. Chave said the score sheet was created specifically for the height bonus, which is where developers tend to get the most "bang for their buck." The only other incentive that would factor into the bottom line of a project would be parking. He cautioned against offering tax credits.

Chair Reed recalled that the Firdale Village Plan incorporated the concept of shared parking. Mr. Chave said this concept is not unique to Firdale Village and is available to any project in the City. The concept is outlined in the parking section of the code.

Chair Reed suggested that rather than offering points for charging facilities for electric cars and LEED Silver ratings, perhaps they should be required. Mr. Chave agreed that charging stations could be required for any parking lot over a certain size, but he cautioned against making it a requirement for small parking areas, as well. He suggested that perhaps a minimum LEED Silver rating and charging stations for electric vehicles should be required for all four and five-story buildings. The remainder of the Board agreed that would be appropriate.

Vice Chair Stewart recalled Mr. Chave's earlier comment about how difficult and costly it can be to obtain Passive House, LEED Platinum and Living Building status. She suggested that perhaps the City should offer 4 points to developers to obtain Passive House or LEED Platinum status. Living Building status is very difficult to obtain and should receive more points, perhaps as many as 6. She pointed out that when a developer meets the requirements for any of the three highest green building programs, they will also be fulfilling a number of other options included on the score sheet.

Board Member Ellis suggested that the point system would need to be tweaked to implement Vice Chair Stewart's suggestion. He pointed out that if a developer receives six points for obtaining Living Building status, he/she would only have to obtain two more points to qualify for the additional story. As currently written, a developer must obtain points from at least three other categories. He suggested that if the Living Building status would fulfill a number of other options, perhaps it should be the only prerequisite for a four-story building. Mr. Chave suggested that if a developer obtains Living Building Status, perhaps it would be appropriate to allow him/her to pick up the other required points in any category. This would recognize that Living Building status is an expensive proposition and something the City wants to encourage.

Board Member Ellis said he does not want unintended consequences to discourage something the City really wants. Mr. Chave explained that if they find that over time most developers are choosing credits that are less important to the City, they could change the point system. He commented that it is difficult to be precise when weighting each of the options because each property owner will bring their own values to the equation. The weighting has to be a combination of what the City wants to see happen, as well as some recognition of how difficult and/or expensive it is to do.

Mr. Chave agreed to revise the Height Bonus Score Sheet based on the Board's comments. He suggested that staff could also solicit feedback from architects who are familiar with the concept. The Board agreed that would be helpful.

Mr. Chave referred the Board to the Green Factor Score Sheet (Appendix 5a), which was developed and has been used successfully by the City of Seattle. He asked the Board to provide feedback regarding the proposed weighting for each of the various factors. He noted that higher weightings recognize that some factors are more valuable than others.

Mr. Chave suggested staff could apply the score sheet to existing development in Westgate, particularly the newer developments. He said he anticipates that most of the existing development at Westgate would receive a low score. He briefly explained how the score sheet would be used to calculate the requirements for a given site.

Board Member Ellis asked if there are definitions for the terms used in the Green Factor Score Sheet, such as structural soil systems. Mr. Chave answered that architects and landscapers are familiar with the terms used in the score sheet.

Mr. Chave said he can understand why vegetative walls would receive a higher score in the City of Seattle where the building sites are very limited. Green walls are costly, if done right. However, green walls may be less important in Edmonds, which means that the score could be lower.

Vice Chair Stewart pointed out that Seattle provides a list of additional resources that are available on their Green Factor Website. One particular resource is the Director's Rules (10-2011) for Landscaping and Green Factor Standards, which provides definitions for the various terms used on the score sheet. She suggested that the City could provide a similar document. Mr. Chave advised that the City's Engineering Department administratively adopts design standards for various things such as pervious pavement.

Mr. Chave suggested that Item H.4 on the score sheet (landscaping and food cultivation) should be replaced with "landscaping for habitat." He said he does not believe that landscaping and food cultivation would be practical on business sites. Vice Chair Stewart suggested the language be changed to "landscaping for food cultivation and habitat."

Vice Chair Stewart suggested that Items B.6 and B.7 could be eliminated from the score sheet. She noted that there are no large existing trees on the Westgate properties. Mr. Chave commented that if the City wants to encourage developers to plant trees that will get large, then Items B.6 and B.7 should remain on the score sheet as options. Board Member Tibbott commented that the intent of Item B.7 is to encourage developers to preserve existing large trees. Mr. Chave noted that any large trees on the site will likely be located on the perimeter. He reminded the Board that the Green Factor Program could potentially be applied to other areas in the City, and not just Westgate. The Board agreed to retain Items B.6 and B.7.

Vice Chair Stewart referred to Item C.1 and noted that 2 inches of soil does not seem sufficient for an affective green roof. She felt the City should require a minimum soil depth of 4 inches. Before making this change, Mr. Chave suggested the Board seek feedback from Board Member Duncan.

Vice Chair Stewart suggested that while vegetated walls (Item D) are important elements, perhaps they should not be weighted so heavily. She also suggested that it would be appropriate to provide some examples to clarify what is meant by approved water features (Item E). Mr. Chave suggested that perhaps Seattle's detailed rules provide a description of this term. He agreed to check for additional criteria.

Vice Chair Stewart referred to Item F (permeable paving) and commented that greater depths of permeable pavement should receive a higher score. Mr. Chave agreed to solicit feedback from the City's stormwater engineer. Vice Chair Stewart also recommended that the Board should review the City's plant and tree list to make sure the score sheet is consistent. Mr. Chave pointed out that, other than a street tree list, the City does not have a plant or tree list. The University of Washington team used Seattle's list, which is well researched.

Board Member Lovell suggested that Item H.3 (landscaping visible to passersby from adjacent public right-of-way or public opens spaces) should be weighted more heavily. He noted that this is a definite public benefit. Mr. Chave concurred. He pointed out that the options in Item H are bonuses that can be added on to the elements listed in Items A through G.

Vice Chair Stewart suggested it would be helpful to eliminate the decimals from the scores. She commented that it is so much easier to work with whole numbers.

REVIEW OF EXTENDED AGENDA

Chair Reed briefly reviewed the Board's extended agenda, noting that a public hearing on the proposed Capital Improvement Plan (CIP) and Capital Facilities Plan (CFP) is scheduled for September 25th. He noted that the Board already received copies of the draft plans. Also on September 25th, the Board will continue their review of the two amendments related to the Critical Areas Ordinance.

Chair Reed reminded the Board that they previously scheduled a public hearing on the proposed amendment to the Downtown Business (BD) 1 zone. The Board will also review the code sections related to telecommunications. He advised that, instead a public hearing, the Board will continue their discussion regarding the Westgate Plan and form-based code. Mr. Chave noted that the public hearing on the Westgate Plan would be pushed back to November or December. Once they finish the review of the Westgate Plan, the Board can move forward with the Five Corners Plan.

Chair Reed noted that the second meetings in November and December have been cancelled to accommodate the holidays. The Board will elect new officers at their December 11th meeting.

PLANNING BOARD CHAIR COMMENTS

Chair Reed reported that the next Economic Development Commission meeting is scheduled for September 18th at 6:00 p.m. in the Brackett Meeting Room at City Hall. At the meeting, the Chief Executive Officer (CEO) from Edmonds Swedish Hospital will make a presentation regarding the hospital's proposed plans. Board Member Lovell indicated he would not be

able to attend the meeting, and Chair Reed agreed to attend the meeting to represent the Planning Board. He also encouraged other Board members to attend, if possible.

Chair Reed announced that he will present the Planning Board's quarterly report to the City Council on September 24th. The next quarterly report will not be until January 2014.

Chair Reed advised that he received a letter from the City's Chief of Police, commending the Parks Board for their work. The letter specifically complimented Board Member Tibbott for his presentation to the City Council regarding the recommended new name for the SR-104 Mini Park. They were impressed with the way he presented the logic and answered the City Council's questions.

PLANNING BOARD MEMBER COMMENTS

Board Member Tibbott reported that during the recent flash flood, one of his neighbors had 8 to 10 inches of water in his garage and another house had 4 to 5 inches. It was found that the storm drain directly connected to the properties has no outlet. There are only cisterns. This incident reminded him that even though the City has a storm drain system, it is limited in some areas. He said he is curious as to the kinds of damage sustained elsewhere in the City. He reported that City crews were out today building a berm by the storm drain system to channel the water somewhere else in the future.

Vice Chair Stewart reminded the Board that the City is hosting a free workshop for community members on September 17th from 6:00 to 8:00 p.m. in the Edmonds Plaza Room above the library. Representatives from Rain Dog Designs will be present to help participants learn how to design and install rain gardens that can filter pollution, reduce flooding, and add beauty.

Vice Chair Stewart said she is currently working to find a student representative for the Planning Board. A total of four students have submitted applications to be representatives, and two have already been assigned to work with the Economic Development Commission and the City Council. She said she plans to interview the two remaining candidates, and she would like another Board Member to participate.

Vice Chair Stewart announced that a representative from Built Green will make a presentation at the next Mayor's Climate Protection Committee meeting on October 3rd at 9:00 a.m. Planning Board members will receive formal invitations to the meeting, and she encouraged them to attend, if possible.

Vice Chair Stewart reported that she attended the Architectural Design Board's September 4th meeting, at which Doug Spee provided an excellent presentation of his proposal to redevelop the current post office site. She encouraged Board Members to attend meetings of other City boards and commissions when possible to improve communication and understand how their responsibilities overlap.

ADJOURNMENT

The Board meeting was adjourned at 9:45 p.m.