

SEATTLE PLANNING COMMISSION MARCH 8, 2012 APPROVED MEETING MINUTES

COMMISSIONERS IN ATTENDANCE

Chair Leslie Miller, Catherine Benotto, Josh Brower, David Cutler, Mark Johnson, Martin Kaplan, Bradley Khouri, Kay Knapton, Jeanne Krikawa, Amalia Leighton Kevin McDonald, Chris Persons, Sarah Snider

COMMISSIONERS ABSENT

Colie Hough-Beck, Matt Roewe

COMMISSION STAFF

Barbara Wilson-Director, Diana Canzoneri-Senior Analyst, Katie Sheehy-Planning Analyst, Robin Magonegil-Administrative Staff Assistant, Jiajia Ge, Erika Harris-Interns

GUESTS

Marshall Foster, Dennis Meier, DPD; Rebecca Herzfeld, Council Central Staff

IN ATTENDANCE

Harry Hoffman, Housing Development Consortium (HDC); Patrice Carroll, DPD

Please Note: Seattle Planning Commission meeting minutes are not an exact transcript but instead represent key points and the basis of the discussion.

CALL TO ORDER

Chair Leslie Miller called the meeting to attention at 3:30 pm.

Approve: February 23, 2012 Meeting Minutes

ACTION: Commissioner Kay Knapton moved to approve the February 23, 2012 minutes. Commissioner Bradley Khouri seconded the motion. The minutes were approved with Commissioner Martin Kaplan abstaining.

Chair's Report

Chair Leslie Miller

Chair Miller went over the upcoming meetings and events. She noted that former Get-Engaged Commissioner Kadie Bell will be appointed to the open seat on the Commission and that Commissioners Kaplan and Knapton will be vacating their seats on the Commission and those positions will need to be filled.

Planning Director Report

Marshall Foster, DPD

Chair Miller welcomed Marshall Foster from DPD.

Mr. Foster highlighted some of the projects that DPD is currently working on. He started with Yesler Terrace and noted that the public draft is out and that there are a few issues to resolve with City Council. Mr. Foster stated that this is a new 'planned action approach' and there is a higher level of urban design. He added that he would like to see this model used in other locations. He continued that they are negotiating a development agreement with Sound Transit about the property around the Capitol Hill light rail station.

Mr. Foster talked about how attracting families downtown is on the DPD agenda and that the Urban Experience Committee at the Downtown Seattle Association (DSA) is focused on livability, particularly for families and creating a school in the downtown area. He added that it seems that the school board is finally considering this and that there is a lot of momentum to see this happen. Mr. Foster stated that they might focus on the option of having a STEM (science, technology, engineering & math) elementary magnet school.

Mr. Foster said that City Council will discuss the Comprehensive Plan amendments on March 26. He added that they are working on alternative ways to look at some Future Land Use Map (FLUM) changes for industrial lands and that they would talk more about that after the amendment process is completed. In regards to the Elliot-15th Ave corridor, SDOT is going to do a high capacity transit study from Ballard to downtown. Mr. Foster reported on the proposed Regulatory Reform legislation and stated that they had a good initial meeting last week. They are increasing consistency with the baseline GMA and the Transit Communities policy. He added that they are also getting a resolution ready to go to the PLUS committee to layout the scope and basic metrics regarding the walkshed and the GMA planning in the Comp Plan. He noted that he would love the Comp Plan to be state-of-the-art, rather than just adding layers.

Mr. Foster stated that, the South Lake Union FEIS will be published in early April and that they are eager to get that out for public review. He added that the plan is to have a public open house to discuss the preferred rezone alternative.

Mr. Foster talked about the University of Washington and mentioned that DPD staff, Susan McLain and Radhika Nair are working with the UW steering committee around the idea of a partnership of a livable U District and thinking about the business community in a broader sense. He added that they are taking a transit-focused approach and will look at ECO districts. Mr. Foster noted that they need funding for a full EIS and is not sure if it will be a planned action.

Lastly, Mr. Foster reported on Waterfront Seattle and noted that there was a meeting last week where they learned a lot. He added that they have had the fourth of five community forums, which have averaged 150 people per meeting with almost 50% being new to the project. Mr. Foster noted that many changes are being made to the proposal based on the feedback.

Commissioner Johnson asked about South Lake Union, the preferred alternative and where the thinking is going on that project. Mr. Foster replied that they want to focus primarily on place-making and the public realm with a strong focus on building the plan from the ground up. He added that they are trying to bring a form-based approach. Mr. Foster noted that Seattle Mixed is a flexible zone that focuses on design quality rather than use but added that there are a few places where planning efforts have identified areas where residential uses should be encouraged. Mr. Foster stated that height is a big challenge and that they are thinking a lot about the market and what is viable. He added that they do not want to establish zoning for a building type that is not feasible. Mr. Foster continued that a biotechnology amendment was passed in 2004, that it has been very successful and that they would like to continue to allow that flexibility.

Commissioner Brower wondered about how much land might be available for redevelopment in South Lake Union. Mr. Foster estimated that about 40% has already been redeveloped. He noted that there are some important locations where zoning could have help shape development to achieve neighborhood goals, especially west of Westlake. Commissioner Brower asked if the rezone took into account the Clise property. Mr. Foster stated that they are not reacting to Amazon and that there is a lot of capacity for commercial.

Commissioner Kaplan noted that he was at a community meeting last year to talk about the alternatives, where many people testified about their preference and yet no identified alternative has been identified. He wondered if DPD was planning on opening up that discussion again. Mr. Foster replied that they made the decision early on not to identify a preferred alternative in the EIS in order to preserve flexibility. Mr. Foster added that the meeting was an opportunity to comment on the sufficiency of the analysis and the next steps in the process. Commissioner Kaplan asked when the proposed legislation would be adopted. Mr. Foster stated that they would have to see how the SEPA appeal process moves forward and that DPD intends to have draft legislation ready for Council's consideration by early summer. He added that Councilmember Conlin has confidence in the public process DPD has conducted thus far.

Commissioner Knapton stated that South Lake Union, the Denny Triangle, and Westlake all seem to be pretty confined with lots of pedestrians walking on Mercer between Queen Anne and South Lake Union. She suggested that lower Queen Anne should be part of the planning agenda. Mr. Foster noted that the City does want to undertake planning in Uptown because it is a critical area especially with the bored tunnel north portal.

Chair Miller thanked Mr. Foster for his time.

Briefing: TDP in Pike/Pine

Dennis Meier, DPD; Rebecca Herzfeld, Council Central Staff

Chair Miller welcomed Dennis Meier and Rebecca Herzfeld. Chair Miller called for any disclosures and recusals.

Disclosures:

- Commissioner Sarah Snider disclosed that her firm, LMN, does public and private projects throughout the city of Seattle.
- -Commissioner Josh Brower disclosed that his firm, Veris Law Group PLLC, represents single and multi family developers throughout the city of Seattle.
- -Commissioner David Cutler disclosed that his firm, GGLO, designs projects and advises clients that may be impacted by the Pike/Pine TDP legislation.
- Commissioner Chris Persons disclosed that his firm, Capitol Hill Housing, develops affordable housing throughout the City and owns two properties within the Pike-Pine TDP zone, which are potential sending sites.
- -Commissioner Brad Khouri disclosed that his firm, b9 Architects, design single family and multi-family housing throughout Seattle.
- Commissioner Martin Kaplan disclosed that his firm, MHK Architects, works on projects throughout the city. -Commissioner Catherine Benotto disclosed that her firm, Weber Thompson, works on architectural projects within this area and throughout the City.

Dennis Meier and Rebecca Herzfeld brought a map of the Pike/Pine area that is referenced. That map can be accessed here:

http://www.seattle.gov/planningcommission/docs/receivingsitesdevelopmentactivitywithcore42611.pdf

Dennis Meier provided background and an overview of the <u>Transfer of Development Potential Program</u> in the Pike/Pine neighborhood. He noted that the first phase of the focused on establishing a conservation district. Mr. Meier stated that it was a retooling of the existing overlay district established in the 1990's to protect neighborhood character and to discourage large-scale redevelopment. He added that they adjusted the development standards to encourage compatibility with the existing buildings and what started as a scale-issue started to focus on preservation of building stock. Mr. Meier stated that phase two updated the neighborhood design guidelines to promote compatibility between the new and the old. He added that the neighborhood expressed interest in TDR (transfer of development rights) as a tool to direct resources to conserve existing buildings in the area, which has been the focus of phase three. He continued that they looked at whether or not to link to the downtown program.

Rebecca Herzfeld explained that the initial report concluded that the amount of development potential in Pike/Pine was equal to about sixteen years worth for all of the potential demand in downtown.

Mr. Meier stated that since 1985 when it was established, there has been about two million square feet of development capacity transferred; potential capacity transferred from Pike/Pine would be about four million square feet. He added that this is a straightforward program but the challenge is finding receiving sites; he wondered how they generate the development potential to create receiving sites. Mr. Meier stated that they need to either go higher or denser and that the decision was to allow an additional ten feet in height on receiving sites, exceed FAR to max out. He added that there is the opportunity for projects to get larger but it is still a modest increase, maybe a gain of .5 FAR and not all sites can be receiving sites.

Ms. Herzfeld noted that the adopted resolution indicates that the Seattle Planning Commission should work with DPD to clarify how all the incentive programs work together, look at TDP type programs, and establish the priorities. She added that there are many things that it could be used for, downtown has a big enough base but what about neighborhoods like Pike/Pine.

Mr. Meier mentioned that they are trying to explore opportunities around unreinforced masonry buildings, as this type of an incentive may be enough to bring those buildings up to code. He added that it might make sense to look at a broader range of receiving areas.

Ms. Herzfeld noted that the initial proposal said that only older buildings listed with the department of neighborhoods (DON) could transfer development rights but community input resulted in all buildings more than 75 years old. She noted that there is some question about how many buildings you can save because of the limited number of receiving sites.

Commissioner McDonald asked how the process starts if a receiving site wants to take advantage of the program. Ms. Herzfeld answered that they are trying to create a clearing-house. Commissioner McDonald wondered if the City might facilitate. Mr. Meier responded that the program would be similar to downtown where the City works with non-profits on affordable housing sites where they can bank the development rights. Ms. Herzfeld stated that the City tried to do that with the East Precinct building but finance and administrative services did not want to limit their development capacity.

Commissioner Khouri wondered how much potential could be spread over the sites shown on the map in purple. Mr. Meier stated only a small fraction, 10 - 15% and that is in the best-case scenario. Ms. Herzfeld added that the staff draft recommended a height increase of 20 feet but the community felt strongly that was too tall. Commissioner Khouri asked, in regards to the sending site, who determines the value, especially over time. Mr. Meier answered that it is a market transaction and is between the buyer and the seller to determine value. He added that the base is 1/3 of the max and here the base is substantial. He noted that a project would not need to use the TDP program in order to be feasible. Commissioner Khouri asked if the money received by the property owner of the sending site would have to reinvest invest the money back into the building. Mr. Meier indicated that the funds would have to be used to bring the building up to code and that expansions would not be allowed.

Commissioner Johnson wondered if they imagined this applying in other neighborhoods. Mr. Meier responded that this program requires strategic application and that it would not work without a balance of potential sending and receiving sites. He added that it might work when there are specific things you want to accomplish. Mr. Meier mentioned the concept of the rural development credit and somehow pooling development rights. Ms. Herzfeld noted that South Lake Union is one of the areas that people are looking at for a countywide TDR program.

Commissioner David Cutler wondered what happens if an owner owns multiple properties, how that works. He added that .5 FAR is a small incentive and it would probably not provide much money for retrofitting. Mr. Meier replied that if a site has a character structure on it and if that feature is demolished then it disqualifies it from being a receiving site. He added that even under optimal circumstances, this is only one tool and that while there is potential for a positive outcome, it is not a magic solution. Ms. Herzfeld noted that if preservation is really the goal, then a historic district is the best tool. Mr. Meier mentioned that it is the classic

case of multiple/conflicting objectives and that downsizing was another alternative but that is not where the community wanted to go.

Commissioner Persons stated that he could be in favor of pumping up development potential at the TOD and that Capitol Hill Housing has sold development rights to downtown. He added that developers are perceptive and they do not expect demand for the development potential at their two properties to be very high and indicated that it is unlikely that they would be able to utilize this tool. He added that since it is not feasible for Capitol Hill Housing that it is unlikely that it would be feasible for many others. Commissioner Persons suggested that if there were a way to transfer development potential outside of the neighborhood, that would be great. Mr. Meier stated that they are committed to looking at that as part of the Resolution.

Commissioner Persons asked if there is a difference between TDR and TDP. Mr. Meier said that TDR focuses on the transfer of commercial development potential whereas TDP focuses on residential development. Ms. Herzfeld stated that it can be confusing and that in the rural program it is TDC (transfer of development credits).

Commissioner Kaplan asked what level of participation the City anticipates given that there is only ten feet of increased height. Mr. Meier stated that, hypothetically, Bank of America could go up one more floor and that might be a situation where it would work.

Ms. Wilson noted that she is stuck on the same issue of where the value is, if the City looks beyond Capitol Hill TOD and does some rezoning around the light rail station, could this program have some potential there. Mr. Meier stated that there approach would skirt around the bonus issues. He added that the additional challenge in this effort is finding significant increase and having it be the priority. Ms. Herzfeld offered, in her opinion, that any character building could transfer and wondered why single family would be a priority. She added that setting the priorities was key. Mr. Meier stated that part of this is trying to move forward with establishing the conservation core to not rely on TDP and to see that there are other tools to help get to those objectives.

Commissioner Brower asked, in looking ahead, which should be the priority - economics and valuation. He stated that buildings end up falling apart because the values are cranked down and the value has to be set high enough.

Chair Miller thanked Dennis and Rebecca and invited them back to brief the Executive Committee.

PUBLIC COMMENT

Vice-Chair David Cutler recognized Harry Hoffman from the Housing Development Consortium. Mr. Hoffman thanked the Commission for the work they did on the Housing Seattle report. He announced their annual lunch that will occur on March 23 and invited the Commissioners to attend.

- Work Session: Seattle Transit Communities
 - Barbara Wilson & Katie Sheehy, SPC Staff

Chair Miller called for any disclosures and recusals.

Disclosures:

- Commissioner Amalia Leighton disclosed that her firm, SvR Design, is working on the Transit, Pedestrian and Bike Master Plans.
- Commissioner Sarah Snider disclosed that her firm, LMN, does public and private projects throughout the city of Seattle.
- -Commissioner Jeanne Krikawa disclosed that her firm, Underhill Company, works on transportation projects in the Seattle area and currently has Sound Transit as a client.
- -Commissioner Mark Johnson disclosed that his firm, ESA, has Sound Transit as a client.
- -Commissioner Leslie Miller disclosed that she is an outreach/membership chair of the Southeast District Council Steering Committee, a member of the Othello Park Alliance, the recipient of a 2012 matching fund award and 2012 Bridging the Gap funding for projects within a transit community.
- -Commissioner David Cutler disclosed that his firm, GGLO, Commissioner David Cutler disclosed that his firm, GGLO, designs projects and advises clients that may be impacted by the transit communities policy.
- -Commissioner Josh Brower disclosed that his firm, Veris Law Group PLLC, represents single and multi family developers throughout the city of Seattle that may be impacted by the transit communities policy.
- -Commissioner Catherine Benotto disclosed that her firm, Weber Thompson, does public and private projects throughout the city of Seattle that may be impacted by the transit communities policy.
- -Commissioner Bradley Khouri disclosed that his firm, b9 Architects, does public and private projects throughout the city of Seattle that may be impacted by the transit communities policy.
- -Commissioner Martin Kaplan disclosed that his firm, MHK Architects, does private projects throughout the city of Seattle that may be impacted by the transit communities policy.

Barbara Wilson gave an overview of the <u>Seattle Transit Communities</u> report that came out in 2010. She noted that DPD is working on the resolution that will state the goals, workplan, and the deliverables of the program. Ms. Wilson added that it is a data-driven approach with some nuance through the typologies. She stated that the focus of the discussion is on the methodology for the walkshed boundaries and how, once a boundary has been established, should it be used.

Katie Sheehy asked Commissioners to keep social equity in mind as goals for the project include mitigation of gentrification. She cautioned the Commission that there is no perfect formula for zoning and that it is very challenging to identify specific metrics or numeral targets that can be readily measured directly influenced by City policy.

Ms. Wilson recommended that the locational criteria be used to expand the boundaries.

Commissioner Kaplan stated that broadening the boundary is important, as these nodes are dynamic and not fixed. He added that it is dangerous to fix nodes and likes the idea of the ability to expand them.

Commissioner Benotto added that expansion should be limited, maybe to an additional 5-minute walk limit, as too much expansion could weaken the concept.

Commissioner McDonald supports the ability to expand the Transit Communities boundaries but worries about the risk of deluding the intent and resources for essential components of livability.

Commissioner Persons stated that how it gets used needs to be first and what that means. He wondered about housing projects to be located in transit-oriented development. Ms. Wilson stated that single family was cut out the station area overlays.

Commissioner Johnson asked if we are clear on the question of expanding boundaries, could we move on from that. Ms. Wilson stated that it is a fixed walkshed and the boundary is drawn. She stated that the bigger question is how to use it.

Commissioner Khouri stated that the parking requirement could be transformative and that if single family becomes a part of that then that is a big change.

Commissioner Cutler asked a question about the map and why there are certain walksheds on there and others are not. Ms. Wilson replied that it is a phased approach for designations. Ms. Sheehy added that the walkshed analysis is based on a half-mile boundary. Commissioner Cutler asked if the streetcar lines are accounted for and how is the boundary defined there. Ms. Wilson stated that this is a nodal strategy rather than corridor. Commissioner Cutler stated that they should be careful and be aware of the subjectivity even thought they want it to be data-driven. Ms. Wilson stated that frequent transit service is used to determine the points on the map. Patrice Carroll stated that the map is a draft and does not have all of the transit communities.

Commissioner Johnson shared his concern about changing the Urban Village boundaries and suggested that as neighborhood plans are updated that might be a more appropriate time to align Urban Village and Transit Community boundaries. He added that approach will allow for a both/and kind of situation.

Commissioner Brower advocated using the walkshed to replace the Station Area Overlay District. He added that it is time to update them and we now have more sophisticated tools and the possibility of nuanced analysis.

Commissioner Knapton shared her concern that there are still community activists out there have considerable investment in the Urban Village Strategy and that we need to use caution in selling the new system. She wondered if there were the resources for implementing this policy. Ms. Wilson replied that the City does spend a larger proportion of budget in the Urban Villages. Ms. Knapton cited West Seattle as an example that got some infrastructure but not enough and noted that many residents who were involved in the initial neighborhood planning efforts feel that the City has not delivered on what was promised to neighborhoods.

Commissioner Snider stated that, in relation to form based vs. use based code areas, simplifying would be useful.

Chair Miller stated that from a community person perspective, she wondered what it means to be in an Urban Village and what is best for the city. She added that she respects the community process but sometimes it is necessary to consider more than neighborhood plans. Chair Miller continued that there is often a need to be strategic and nimble.

Ms. Sheehy clarified that upzones must be called out in the neighborhood plans.

Commissioner Leighton stated that if walksheds replace Station Area Overlays Districts then they should be used to prioritize investments. Ms. Wilson noted that this would have to be addressed in the Comprehensive Plan. Ms. Wilson added that they would continue to work on this project.

PUBLIC COMMENT

There was no further public comment.

ADJOURNMENT

Chair Miller adjourned the meeting at 5:37 pm.