

# CITY OF SHORELINE

## SHORELINE PLANNING COMMISSION MINUTES OF REGULAR MEETING

May 2, 2019  
7:00 P.M.

Shoreline City Hall  
Council Chamber

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### **Commissioners Present**

Chair Montero  
Vice Chair Mork  
Commissioner Craft  
Commissioner Davis  
Commissioner Lin

### **Staff Present**

Rachael Markle, Director, Planning and Community Development  
Paul Cohen, Planning Manager, Planning and Community Development  
Tricia Juhnke, City Engineer  
Terry Danysh, Outside Legal Counsel  
Julie Ainsworth-Taylor, Assistant City Attorney  
Carla Hoekzema, Planning Commission Clerk

### **Commissioners Absent**

Commissioner Maul  
Commissioner Malek

### **CALL TO ORDER**

Chair Montero called the regular meeting of the Shoreline Planning Commission to order at 7:00 p.m.

### **ROLL CALL**

Upon roll call by Ms. Hoekzema the following Commissioners were present: Chair Montero, Vice Chair Mork, and Commissioners Craft, Davis and Lin. Commissioners Maul and Malek were absent.

### **APPROVAL OF AGENDA**

The agenda was accepted as presented.

### **APPROVAL OF MINUTES**

The minutes of April 4, 2019 were approved as submitted.

### **GENERAL PUBLIC COMMENT**

There were no general public comments.

## **STUDY ITEM: DEVELOPMENT AGREEMENT – SHORELINE PLACE**

Mr. Cohen reviewed that the City adopted the Development Agreement (DA) process in 2016. Per Revised Code of Washington (RCW) 36.70B.170, it is a Legislative process (Type L) that requires a Planning Commission public hearing and recommendation and City Council discussion and action. The content of a DA identifies development standards that govern, vest and mitigate development over an agreed duration of time. In order to be approved, a DA must provide a public benefit and satisfy six criteria. The purpose of the current proposal is to redevelop an economically blighted shopping center into a mixed-use center with long-term assurances and flexibility for both the property owner (Merlone Geier Partners) and the City.

Mr. Cohen advised that the applicant is proposing to redevelop the 17-acre Sears site using a DA to construct nine buildings with a mix of 1,358 dwelling units, 72,160 square feet of commercial space and a 3.26-acre public open space system in phases over 20 years. The proposed phasing is flexible depending on the market demand, and the proposal will mitigate the impacts via public improvements that are responsive to each phase.

Mr. Cohen reviewed that the City has been laying the groundwork for this type of development for the past 10 years, starting in 2009 with the Vision 2029 Plan, followed by framework goals in the Comprehensive Plan in 2012. The City adopted the Community Renewal Area (CRA) Plan for the subject site in 2013 and issued a Planned Action Ordinance (PAO) for State Environmental Policy Act (SEPA) review for the CRA in 2015. The site was rebranded from “Aurora Square” to “Shoreline Place” in 2015, and the DA process was adopted in 2016. Merlone Geier Partners (MGP) purchased the site in 2017, conducted a community-wide meeting in 2018, and submitted a DA application in 2019. The City issued a CRA Planned Action Determination of Consistency in 2019 showing that the proposal is consistent with the PAO.

Mr. Cohen reviewed the seven main components of the DA as follows:

- **Vesting.** The proposal would vest for a 20-year term on the regulations that were in place on January 4, 2019 when the application was submitted. It would also vest the modifications in the DA and transportation concurrency. Fees (including impact fees), surface water regulations and building codes would not be vested.
- **Supplemental Site Design Guidelines.** These guidelines clarify the Conceptual Plan Design to ensure that the quality of site and open space design is good. Required and optional elements are listed for each of the six areas in the plan: Central Plaza, Community Open Space, Pedestrian Shared Streets, Westminster Way N Connection, Pedestrian-Oriented Design, and Westminster Way N/N 155<sup>th</sup> Street Corner Plaza. For example, the Central Plaza requires programmable open space, integrated seating, pedestrian-scale lighting, varied paving patterns for the paths and plazas, street trees, minimum 1,800 square feet of lawn area, 8-foot wide sidewalks, and public art. One of the optional elements must also be employed (water feature, retail kiosk, outdoor dining area, movable furniture, or deciduous tree canopy).

- **Modifications to Development Standards.** The DA proposes to modify the Development Standards. As proposed:
  - The building height would increase from 70 feet to 80 feet.
  - Primary building entries could be located from internal pedestrian or vehicle access instead of from public streets.
  - Parking lot walkways could be modified from 200 to 265 feet apart.
  - Building façade articulation could be modified from every 35 feet to every 80 feet.
  - The standard parking stall depth could be reduced from 20 feet to 16 or 18 feet, compact stall depth could be reduced from 16 to 15 feet, and compact stall width could be reduced from 8 to 7.5 feet.
  - The 18-inch striped space between parking stalls and landscaped areas could be replaced with adjacent 12-inch paving strips to allow people to get out of their cars without encroaching into the landscaping.
  
- **Public Amenities.** In addition to code required public places and multifamily open space that is private, the agreement includes an open space system with interconnected public access. As proposed:
  - The Westminster Retail Plaza will be a 0.49-acre area adjacent to the entry at N 155<sup>th</sup> Street and Westminster Way N.
  - The Central Plaza (east and west) will be a 0.66-acre area for informal recreation, gathering or public events.
  - The Community Open Space and North and South Promenades will provide 0.9 acres of green park and wide, landscaped walkways as a pedestrian gateway from the more residential areas to commercial areas.
  - The Pedestrian Shared Streets will provide 0.7 acres of streets through the Central Plaza for pedestrians and slow cars to mix or be barricaded for community events such as a farmer’s market.
  
- **Transportation Mitigation and Impact Fees.** The proposed DA identifies transportation mitigation and impact fees that require:
  - Off-street improvements to selected intersections and streets.
  - Construction or payment prior to Building Permits per each phase that requires mitigation.
  - Fire, Transportation and Park Impact Fees must be collected with the individual Building Permit application. However, the applicant may request credit for Park Impact Fees for projects that are considered park like open space.
  
- **Public Benefits.** Some of the public benefits associated with the proposed DA include:
  - Fulfillment of the CRA vision of a one-stop shopping and living community.
  - Series of connected, public open spaces.
  - Walkable community.
  - Pedestrian, bicycle and transit facility connections.

- Opportunities for housing, entertainment and retail.
- Designed to provide activity day and evening.
- Upgrades to internal infrastructure.
- Economic Development and tax revenue.

Mr. Cohen reviewed how the proposal meets the criteria that must be satisfied in order for a DA to be approved:

- **Consistent with the Comprehensive and Subarea Plans.** The Staff Report lists all of the relevant Comprehensive Plan Goals and Policies, which strongly support functionality, walkability, quality mixed development, density, public spaces, business-friendly development and economic growth. The Comprehensive Plan also explicitly promotes a vision for mixed uses in Aurora’s retail centers, as well as a master planned, sustainable lifestyle center at Aurora Square, which is now Shoreline Place. Lastly, the CRA toolkit promotes options to either publicly or privately master plan Shoreline Place to become a mixed-use development activity area with a lot of pedestrian activity.
- **Innovative and sustainable design.** The design departures are minor modifications that are counterbalanced by numerous other required design standards that must be met. Replacing existing development with development that will use current building, energy, stormwater and development codes will increase the current level of sustainability. In addition, a mixed-use center with closely-connected housing, offices, a college campus, retail, public places and transit is considered sustainable city planning. Development of the subject property may serve as a catalyst for like redevelopment of the remaining CRA.
- **Sufficient transportation infrastructure capacity.** The proposal complies with the Shoreline Municipal Code (SMC) Adequate Streets and Planned Action Ordinance Analysis. It estimated the proposal will result in 160 new automobile trips per peak hour of adjacent street traffic, which is fewer than the Environmental Impact Statement (EIS) projection of 808 trips. No traffic Level of Service (LOS) change is projected until at least 2030, and the project will contribute Transportation Impact Fees (TIF) with Development Permits. It will also contribute mitigation funding for failing intersections at N 160<sup>th</sup> Street/Greenwood Ave/Innis Arden Way and Carlyle/Dayton. It will provide needed bicycle facilities on N 160<sup>th</sup> Street and through Shoreline Place that connect to the Interurban Trail and contribute to the N 155<sup>th</sup> Street/Westminster Way N intersection improvements.
- **Sufficient water, sewer and stormwater capacity.** It has been verified that there is sufficient, water, sewer and stormwater capacity to serve the subject property. Sewer will be reviewed for compliance via Development Permit review, and stormwater will be upgraded to current code with each Development Permit.
- **Designed to minimize conflicts with surrounding R-4, R-6, R-8 and MUR-35’ zones.** The transition area requirements in the Development Code would be met where single-family homes (R-6 zone) are directly across N 160<sup>th</sup> Street. Because of the proposed setbacks, no buildings have been proposed adjacent to Westminster Way N across from R-4 zoning. There are no R-8 or MUR-

35' zones surround the site, and the modification for height increase would be outside of the required transition area.

- **Consistent with Critical Areas Standards.** There are no wetlands, floodplains, fish and wildlife habitats, flood hazards, aquifer recharge areas or shoreline management areas on the subject site. However, there are a few isolated, man-made, hazardous slopes that were created to accommodate the Sears parking and building pad. These slopes can be addressed by the Critical Areas Ordinance that would be applied during Development Permit review.

**Jamas Gwilliam, Vice President of Development, MGP**, introduced the members of the design team: Glen Goodman, Vice President of Design and Construction, MGP; Alison Moss, Land Use Counsel, MGP; Jeff Foster, Architect and Urban Planner, GGLO Design; Mitch Ptacek, Architect and Urban Planner, GGLO; Kris Snider, Principal, Landscape Architect, Hewitt; Mike Read, Principal, Transportation Engineers Northwest; Jeff Chambers, Civil Engineer, PacLand; and Lynsey Burgess, Outreach Consultant, PRR.

Mr. Gwilliam said his experience as a developer suggests the need to connect with the community early in the development process rather than presuming to know what they want. After MGP acquired the property and the purchase was made public, they launched surveys, posted videos of the plans, sent out letters, held open houses, attended community events and established an online and social media presence with the goal of soliciting feedback that could translate into the plan. Prior to the public outreach effort, MGP reached out to the adjacent property owners and met with and communicated consistently with immediately adjacent neighbor to discuss plans and concerns.

Mr. Gwilliam recalled that, when he was last before the Commission, he made an overly presumptuous statement that the adjacent owners were generally on board with MGP's plans. At that point in time, they had no reason to believe there was anything to the contrary. They had provided information and worked with ROIC and the Washington State Department of Transportation (WSDOT) to address matters between the property owners. In response to questions raised about why MGP did not reach out to individual businesses, Mr. Gwilliam said MGP does not believe it is appropriate to reach out to the tenants of other property owners. Typically, the property owners communicate the intents of adjacent property owners if redevelopment is occurring. Some tenants have reached out to MGP and expressed their excitement in the prospect of the site finally being redeveloped.

Mr. Gwilliam advised that the initial site plan was updated based on feedback from the public, staff and adjacent property owners. The various iterations of the site plan are available on MGP's website. Some of the specific changes include: providing restaurants and shops in an environment that is currently lacking in Shoreline where retail is currently dominated by strip retail along Highway 99; providing additional housing within close proximity of transit and retail amenities, spreading the open space out across all of the phases and tying it into the City's investment at Westminster Way N; maintaining and enhancing the viability of Central Market, and decreasing the amount of retail on the lower level near Pier 1 and Marshalls so that adequate parking ratios can be met on the subject property. They also created a new, more meaningful connection between the upper and lower levels of the property while making sure the existing connection will remain in the meantime. The last two changes noted were in response to comments from RIOC.

Mr. Gwilliam said the most recent version of the site plan was shared on MGP's social media platform in January and received hundreds of positive responses. They received some questions and the occasional opposition, but they felt most were due to a lack of understanding of the City's vision for the CRA. He said that, in addition to the community outreach, MGP met with staff and responded to requests for additional analysis on a multitude of topics and disciplines.

Mr. Gwilliam said the proposed project is a result of the outreach process, along with the market feasibility analysis, the CRA vision, and the PAO. Through the process, MGP confirmed that the mix of uses studied in the preferred alternative in the PAO was not reflective of market demand. He explained that they considered the demand for retail and office and concluded there was not a market for a substantial amount of big-box retail as there is already a significant amount along the Highway 99 Corridor, as well as Northgate and Alderwood Malls. They also found there was limited demand for office space in this type of location off of the freeway. He summarized that the PAO allows for reallocation of square footage as long as the overall trip threshold is complied with, and these changes are reflected in the plan currently before the Commission for review.

Mr. Gwilliam summarized that MGP has invested considerable time and resources in the creation of the conceptual plan, which they believe is a representation of what the market can support at the present time. The City has agreed to certain flexibility provisions because this will be a multi-phase, multi-year project and no one can predict what the exact phasing will need to be for future conditions. He noted that this type of flexibility is standard for DAs in the region. He said MGP's intent is to move forward expeditiously on the retail pads and one or more phases of the residential buildings as soon as possible. Perhaps they can move forward with some of the residential buildings before all or a portion of the Sears building is completely removed. He advised that a tenant is currently leasing space in the Sears building through 2023, and MGP must respect that lease.

**Jeff Foster, Architect and Urban Planner, GGLO Design**, referred to the goals called out in the CRA, which include increasing land efficiency on the site, transforming Westminster Way N, creating an eco-district and a more sustainable way of developing, integrating the development into the context of the neighborhood, creating a vibrant center, reinventing the Sears Building, constructing internal connections within the site, incorporating considerations of the nearby college, building new homes, adding entertainment and exchanging parking for jobs. While focusing on pedestrian circulation, he said the goal is also to connect the project to the Interurban Trail and areas around the site.

Mr. Foster reminded the Commission that there are multiple property owners within the CRA, with cross-access easements over neighboring parcels. The proposed development respects these boundaries and acknowledges the easements. It also proposes some enhancements to them, recognizing that a mutual agreement between property owners will be required, as has been the case in past recorded easements.

Mr. Foster said the objectives of the conceptual site design is to implement the CRA vision, to be consistent with the PAO, to create a walkable mixed-use neighborhood with interconnected open spaces, and to work in the context of the complex ownership of the CRA parcels with an eye towards how the proposed project can contribute and connect to the potential of neighboring properties in the future. He said the proposal gives substantial consideration to the timing of demolition and construction across the

site in the process of redevelopment. There are existing businesses that will need to continue to operate and Shoreline residents will continue to patronize them during the redevelopment process so safe access is needed. In addition to the above ground buildings, a web of utilities run below the site that serve various buildings and provide drainage across the entire property. There are also lease agreements that impact the timing of redevelopment.

Mr. Foster explained that the overall site is divided into separate blocks for phased development, including Block E as the proposed first phase. Later phases of the development would follow, keeping in mind the constructability considerations that he discussed earlier and in response to market conditions that change over time. MGP is also trying to provide flexibility and predictability for future redevelopment.

Mr. Foster explained that Phase I is prominently located at the sites present and future front door. The intent is to activate the corner of N 155<sup>th</sup> Street/Westminster Way N to generate interest and excitement about the site's transformation from the former Aurora Square to Shoreline Place. The existing Central Market parking area would remain, as would the connection from the upper to the lower portions of Sears. The cross-access easements along N 160<sup>th</sup> Street would also remain open. The Sears Catalogue Building at the northwest part of the site would be demolished.

Mr. Foster shared an illustration of the overall program for the development that was categorized by block and includes a summary of the proposed retail and residential spaces, as well as associated parking areas. He noted there would be a little more than 75,000 square feet of retail space (including the existing bank) and 1,358 residential units. The surface parking ratio for the retail uses would be five stalls per 1,000 square feet. Parking to serve the residential units would be located in the garages in the buildings.

Mr. Foster explained that the existing circulation system is disconnected from the surrounding neighborhoods and is bifurcated by the Sears structure. Westminster Way N is currently a thoroughfare, and the pedestrian circulation on site is primarily limited to the sidewalks in front of Central Market and Sears. The proposed redevelopment would establish a logical street grid and more manageable, pedestrian-scale blocks. It would connect to surrounding neighborhood streets and provide pedestrian, vehicle and bicycle circulation throughout the site that connect to Westminster Way N and the Interurban Trail. Some areas in the site will have pedestrian-only circulation. Again, he said the goal is to set the stage for not only the proposed development to be successful, but for adjacent properties to continue the network.

Mr. Foster compared the proposed circulation with what was envisioned during the CRA process and summarized that the sites main entrance at N 155<sup>th</sup> Street and Westminster Way N would be preserved. In addition, N 157<sup>th</sup> Street (along the north edge of the property) would connect to Westminster Way N and N 160<sup>th</sup> Street, and C street would run through the property to connect the north and south sides of the proposed development. While the CRA plan included a curving vehicular path from N 155<sup>th</sup> Street to N 160<sup>th</sup> Street, MGP cannot demolish and build on property it does not own. Instead, they have included N 156<sup>th</sup> Street and B Street, which both connect to N 160<sup>th</sup> Street. They have also included a pedestrian connection between N 160<sup>th</sup> Street and A Street.

Mr. Foster referred to the network of gateways and connected open spaces on the site that create an urban design approach of semi-public and public spaces. He explained that the semi-public spaces will be located in and around the residential buildings. He advised that an earlier version of the proposal had a more centralized approach to open space, but the layering of circulation and open space into a more elaborate and appropriately-scaled neighborhood network knits the site together more effectively and is a more appropriate approach to designing systems at the neighborhood scale. He observed that the open spaces would be connected to each other along a pedestrian-scale spine that is linked to the gateways.

**Mike Read, Principle, Transportation Engineers Northwest**, reviewed that the original CRA was evaluated during an extensive EIS process that included a very detailed and comprehensive Traffic Impact Analysis that looked at a broader area all the way down to the City's shared border with Seattle (N 145<sup>th</sup> Street). He said the focus of his work was on the primary existing and proposed access driveways that immediately serve the site, as well as some additional intersections called out in the CRA. The driveways included in his study were those that directly serve the site, plus those that serve adjacent properties but would be used by the project. He reviewed that three alternatives were studied as part of the EIS for the CRA and PAO:

- Alternative 1 – Do nothing.
- Alternative 2 – Replace some of the existing retail development with 500 apartments, 125,000 square feet of retail, and 125,000 square feet of office space.
- Alternative 3 – Replace an even larger portion of retail development with 1,000 apartments, 250,000 square feet of retail, and 250,000 square feet of office space.

Mr. Read noted that Alternative 3 was adopted for the PAO and resulted in a net increase of over 800 new trips per peak hour of adjacent street traffic. He provided a chart showing how traffic associated with the proposed plan compares with the traffic associated with Alternative 3. He summarized that the proposal would completely remove the Sears complex and replace it with 1,358 apartment units and 72,160 square feet (59,000 retail and 13,000 restaurant) of retail space. The approximately 100 total trips per hour generated by the proposed development is about 12.5% of the 800 trips estimated for Alternative 3 and 25% of Alternative 2.

Mr. Read explained that the trip generation figures were used to evaluate the project's concurrency and consistency in comparison to the overall EIS findings and conclusions. They also performed a traffic impact analysis that looked at the detailed traffic operational delays and vehicle cues at all site access locations on the subject property, including the off-site driveways that would be used by the project. New traffic counts were collected last year, and the data was considered in the context of the new Alexan Project that is currently being built in the Westminster Triangle, WSDOT's expansion plans for moving additional employment to an adjacent site, and a background growth rate of 20 years of historical growth. The intent was to study a worst-case scenario to ensure they met consistency for the transportation system in the context of concurrency and the EIS.

Mr. Reed summarized that the overall result of his study was a determination that the proposal was consistent with the EIS findings and conclusions and that the site access plan would function at reasonable delay and vehicle cues as they exit the site. He advised that the preferred access plan includes five primary driveways:

- Driveway 1 at N 160<sup>th</sup> Street is located between the WSDOT property and the Sears complex and will primarily serve WSDOT's lower employee parking lot and enhance and maintain truck service to Central Market, Salvation Army, and other central retailers. It would also serve a small portion of the residential garage in the building denoted as "Block A."
- Driveway 2 in the general location of the existing Sears retail driveway from N 160<sup>th</sup> would be reconfigured and realigned to meet current City standards and to increase pedestrian safety. It would also serve as one of the primary east/west internal circulation roadways and one of the on-street bikeways through the site.
- Driveway 3 is a new proposed driveway that is specifically designed as a truck enter only driveway to serve the Marshall's loading dock on the adjacent retail parcel. The intent is to enhance truck ingress into the existing loading dock and reduce conflicts between large vehicles and other non-motorized modes moving through the site.
- Driveways 4 and 5 are on Westminster Way N and will be improved as part of the City's overall capital improvement project. The objectives of the project are to narrow the roadway, enhance the pedestrian environment and provide some new crossing treatments for pedestrians. The idea is to improve the overall safety and efficiency for both vehicles and pedestrians. There will be some on-street parking along certain segments and an overall narrower roadway.

Mr. Read said an alternative circulation concept would include the same improvements along Westminster Way N and the existing retail driveway from N 160<sup>th</sup> Street would be maintained to serve all of the multiple easement requirements. It would also serve as the primary connection between Westminster Way N and N 160<sup>th</sup> Street.

Mr. Read also noted a few other internal changes to the site. For example, the connection from N 155<sup>th</sup> Street into the site that was envisioned and previously encouraged to provide more cross connections for pedestrians and vehicles would not be included in order to preserve the existing surface parking lot within Block E. He noted that the current access routes and truck entries that serve both Marshalls and the back side of Central Market would be maintained.

Mr. Read said the preferred access plan attempts to maintain and preserve freight mobility on the site. The existing loading docks are not on the subject property, but the proposed plan would improve and enhance truck movements so they are not pushed through the middle of the site. He also pointed out the bikeways proposed throughout the site, which are an important component of the overall CRA. The intent is to connect the Interurban Trail to Shoreline Community College via the subject property. He explained that some of the bikeways would be designated as primary bike routes, and others would be sharrows that are used by both bicycles and vehicles.

Mr. Gwilliam explained that, based on the need for flexibility in order to appropriately develop the site and the fact that MGP is not applying for a Site Development Permit at this time, the City wanted certainty that various components of the conceptual site plan would be built along with the key programmatic elements contained in each portion of the open space system. This resulted in the Supplemental Site

Design Guidelines, which describe the four required components for each portion of the open space system, lists basic design elements that must be incorporated, and provides a menu of optional design elements from which the developer can select one to implement.

Mr. Gwilliam referred to the conceptual site plan that was included in the DA, which is subject to modification of the two access agreements. There is also an alternative plan that depicts how the project could proceed should an agreement not be reached with adjacent property owners to relocate certain existing access easements along N 160<sup>th</sup> Street or their cooperation to modify the access drive in front of the Central Market to tie into the City's Westminster Way N and N 155<sup>th</sup> Street Intersection Project. He provided a detailed view of how an agreed-upon 8-foot bike and pedestrian path could be implemented on the subject property adjacent to the access easement should there be no change. He summarized that the design team, as well as City staff, believe the new connections identified make the most sense, but they will continue to work with adjacent property owners. Any plans submitted for a Site Development or Building Permit that impact the easements will reflect whatever is agreed upon between private property owners.

**Kris Snider, Principle, Landscape Architecture, Hewitt**, provided an aerial view of the site to give context to the open space system plan. He said the intent is to create a walkable, enjoyable and discoverable pedestrian environment so that everything (new and existing development) feels connected and welcoming. This is done by creating a strong linear pedestrian system that provides connections to the existing center and establishes a new series of open spaces that are linked by a strong pedestrian connection. The idea is to provide a variety of experiences along the east/west link from Westminster Way N to the community open space. Each space should have its own identity so they are memorable in their own right, but as a linked system, and create an overall feeling of being a great place to explore. All of the open spaces face to the south, which is a great advantage.

Mr. Snider explained that they know from experience that retailers drive the quality, experience and excitement of an open space. Therefore, it is important that the Central Plaza open space is adjacent to the retail spaces and that the retail spaces are visible from the parking areas and easily found by people walking through the site. He said the eastern portion of the plaza is larger than the western portion and provides an opportunity for water features, seating, lighting, landscaping, outdoor dining, etc. A shared street connects the plaza areas but it can be closed for large events. He said it is important that the open space is flexible and that connections are provided from the Central Plaza to the residential open spaces. He expressed his belief that the proposed design for the Central Plaza has the right scale and includes all of the baseline elements of trees, landscaping, seating, retail edge, outdoor dining, etc.

At the western end of the property, the Community Open Space will have a different quality, and the intent was to create a soft, parklike feel. The nearly 20-foot grade change will be used as an opportunity to make the space more interesting. Potential elements could include a children's play area and/or a dog area. He noted the nearby pedestrian-scale street and residential promenade in Block A that results in a confluence of the urban and the residential uses coming together in this one space.

Mr. Snider said the shared street (N 156<sup>th</sup> Street) that connects the Central Plaza and the Community Open Space will not have a curb and its paving material would be similar to the walking surface, likely a concrete

paving pattern so it does not feel like a road. The intent is to give vehicles a cue to slow down and respect pedestrians. It also empowers pedestrians to feel more comfortable crossing the street.

Mr. Snider described the proposed plan for public space on the east side of the subject property which accesses from Westminster Way N. He reminded them of the changes that will be made to the roadway to slow traffic down and provide safer pedestrian access. The sidewalk edge will be lushly planted to provide protection from the street, and there is enough space to stretch out the stairs. The idea is to connect the high point to the low point via a lush, beautiful, landscaped experience.

Mr. Snider said the Westminster Way N/N 155<sup>th</sup> Street Corner Plaza will be the main vehicular entry into the project and will be completed as part of Phase 1. The idea is to create a welcoming experience for vehicles, bicycles and pedestrians and invite people to come and enjoy the amenities provided on the property. There will be a view from the corner through the retail development to the residential development in the back, which will encourage people to explore.

Mr. Gwilliam explained that because MGP is proposing to provide about 3 acres of open space compared to the required 0.3 acres, they asked the City to consider offering credit for the open space against any Park Impact Fees they would be required to pay. The thought was that, if programmed and sized in an amount that was satisfactory to the City, the spaces would function as public open space and park space. The credits would help offset the additional costs associated with construction of enhanced open space. He said the Parks Department agreed that only three of the areas would be considered for the credit, so long as they meet a minimum size requirement and provide all of the items in the list of requirements. The first open space requirement would be met by the Community Open Space that must provide dedicated surface parking space for a play area, dog park or both and other gathering space elements. Another open space requirement would be met by the Central Plaza that will be required to allow for a farmer's market, music performances, water feature, public art, etc. The last open space will be met by the Westminster Way N Corner Plaza that must have a signature art feature.

Mr. Gwilliam concluded that MGP is excited about the project and has assembled a best-in-class design team to put the plan together. The DA is not the end of the journey, but it is an important milestone. The Commission's recommendation of approval at the next meeting will be a critical part of the process.

Commissioner Davis requested confirmation that B and C Streets will accommodate vehicular traffic, and Mr. Gwilliam answered affirmatively. She also asked if vehicles would be allowed to cross over the public open space south of C Street. Mr. Gwilliam answered that the shaded components where N 156<sup>th</sup> Street meets C Street provides the connection that is required as a condition of approval. Commissioner Davis asked if there would be pedestrian access on both sides of B and C Streets, and Mr. Gwilliam answered that there would be 8-foot sidewalks with parallel parking.

Chair Montero asked if the trip counts include the existing businesses. Mr. Read said the data for the "no action" alternative includes everything currently within the CRA. Chair Montero asked if the driveway that currently serves the businesses on N 160<sup>th</sup> Street would be eliminated, and Mr. Read answered that it would stay.

Commissioner Lin asked how the future loading areas and service routes for the new retail spaces would be configured. Mr. Gwilliam said the retail would be shallow spaces that service and load from the front. Commissioner Lin voiced concern that this would be in conflict with the public open spaces. Mr. Gwilliam said this is a fairly common approach in these types of retail centers. Any future Building Permit would have to demonstrate specifically where the buildings would load from.

Commissioner Lin asked if the City has a frontage requirement for public open spaces. She noted that the proposed open space would be tucked away by the long driveway coming in from the public street. Mr. Gwilliam said this space will be dedicated as a park space and eligible for park credits and an adjacent surface parking lot will be dedicated to serve this park. The park is intended to be an urban setting, which is a little different context than a typical community space. Mr. Cohen said the City does have a requirement for public open spaces associated with commercial development, and the proposal meets that requirement and provides additional open space, too.

Chair Montero reviewed the rules and procedures for public comments and then opened the floor for public comments.

**Robert Doran, Head of Development, ROIC, San Diego**, said ROIC owns the properties adjacent to the MGP property where Central Market, Marshall's, Pier 1 and the lower shops are located. He reported that ROIC has been meeting with MGP on a monthly basis for the past nine months, and they have engaged consultant services at a considerable expense as they have attempted to work towards a mutually-agreeable proposal. Just recently, they were taken aback to learn that MGP presented preliminary plans in March. They have since received a small portion of the documents that were presented to the Commission and read the minutes from the March meeting where MGP portrayed that other owners were supportive, which is not the case. While ROIC wants to reach that point, there are still issues that need to be resolved before the proposal moves forward. There are self-serving items that MGP needs from ROIC to benefit their project and allow them to build more units, and ROIC is okay with that as long as the proposed improvements benefit the center and its tenants.

Mr. Doran said the DA, as currently written, is a bad deal for the City, tenants, neighbors and Shoreline Place property owners. The agreement does not place a time limit on the developer to take down the Sears box. ROIC is concerned that the structure will remain an abandoned building or be leased to the general contractors who are developing the 1,500 residential units around it. He said ROIC has raised this concern with City staff a number of times over the past year, and they have agreed it is an issue for the City, as well. However, there seems to be no commitment to add timeframes into the DA that requires the building to be taken down. He recalled that ROIC bid on the Sears property, and their proposal included the immediate removal of the structure so the entire site could be redeveloped. ROIC hopes the Commission's recommendation will include a timeframe for taking down the Sears box.

Mr. Doran said circulation is also a concern as the different aspects of the project are phased in since the development will bifurcate two properties. The clear access that currently exists between the Central Market and the lower retail spaces will be eliminated to accommodate a massive residential complex between the two properties. While the proposed C Street will solve a lot of problems, it won't be constructed until the Sears Building is removed. The plan shows good solutions, but ROIC is concerned that they will never come to fruition. He requested that approval of the DA be delayed to allow time for

ROIC and the other property owners to work further with MGP to address the outstanding issues. They are getting closer, but additional work is needed before ROIC can support the proposal.

**Mark Taylor, MG2 Architects, Seattle**, said he was brought on board to look at how the proposal would impact the parcels owned by ROIC. He has reviewed the CRA and supports the goals and aspirations outlined in the document. However, it is important to understand that the properties within the CRA are under numerous ownerships, with utility and access easements crisscrossing between the parcels. It is also important to acknowledge how the phased construction approach will impact the current businesses on adjacent properties. He provided a drawing showing the existing circulation and pointed out that the current direct access from Westminister Way N to the lower parcels would be cut off by MGP's proposed Phase 1 development. Many of the problems would be alleviated by the proposed C Street connection, but access to the lower parcel would be compromised in the interim. The CRA mentions how easy parking and access would be, but it is important to acknowledge that both parking and access would be compromised for a long period of time based on the proposed phased approach.

Mr. Taylor pointed out that, as per the current proposal, two additional curb cuts would be needed on N 160<sup>th</sup> Street. He expressed his belief that through ROIC and MGP collaborating together, they can come up with an even better, more robust development plan for the entire block that will provide an even greater community benefit. He recognized this would take time, and he requested that the Commission postpone their recommendation to allow for this additional collaboration to occur.

Mr. Taylor said he has given some thought as to how the ROIC property can begin to interact with the MGP property, and the C Street connection will be critical to fostering access between the upper and lower parcels. He emphasized that the lower parcel at the intersection of N 160<sup>th</sup> Street and Aurora Avenue N is a gateway to the entire district, and there is an opportunity for MGP and ROIC to collaborate together to expand upon the concepts that have already been discussed in the proposed plan. He summarized that ROIC supports redevelopment of the site but feels there is an opportunity to make something better through additional collaboration.

**Jeremy Eckert, Local Counsel for ROIC, Seattle**, commended the City of Shoreline for both the CRA and the PAO, which are great milestones for planning. Unfortunately, the proposal before them is inconsistent in many ways with the Shoreline Place Plan. The vision for Shoreline Place calls for a one-stop, convenient shopping solution that provides dining, night life and healthy lifestyle options, and the primary emphasis of the CRA is to trade surface parking for jobs. The PAO calls for 1,000 residences, 250,000 square feet of retail, and 250,000 square feet of office. MGP's proposal calls for 135.8% of the residential number and provides just 30% of the proposed retail and 0% of the planned office. He recalled that, at their March meeting, the Commissioners noted that a comment letter was received asking that office space be included, and a Commissioner asked if there was room within the plan to add office space. However, it is not included in the current proposal. He observed that the current proposal flips the PAO on its head, focusing on residential instead of a place to gather. While the applicant has talked a lot about the open spaces, there has been no discussion about what the 80-foot tall residential buildings will look like.

Mr. Eckert said the CRA calls for the "reinvention of the Sears Building." However, there is no teeth in the proposed DA to require the applicant to do anything with this building. In addition, the CRA calls for

the construction of direct internal circulation and for the C Street connection. The applicant has submitted two plans for internal circulation, but there is nothing in the DA that would bind the developer to choose one over the other. One definitely is not a consistent roadway through and the other requires more study. Retailers are concerned that there is no consistent plan for what circulation will look like during the buildout of multiple phases over a 20-year DA.

Mr. Eckert asked the Commission to slow the process down and get the DA right. ROIC wants to continue to work with the applicant to make the plan work, and he asked them to postpone the May 16<sup>th</sup> public hearing and schedule another study session a month from now so the two parties have time to confer. If they decide to move forward with the hearing on May 16<sup>th</sup>, he proposed that the DA be amended to require demolition of the Sears Building as part of Phase 1 and construction of C Street as part of Phase 2. A third amendment would require a redevelopment plan to ensure development is consistent with the CRA. He concluded that the proposed plan is wonderful, and they want it to work. But more collaboration is needed to ensure its optimal success.

**Dorrie Johnson, Mill Creek**, said she was present to speak on behalf of her clients, Central Market and Town and Country. She said they have been watching the project closely and have received good information from the City. She has also had an opportunity to speak with an MGP representative to learn more about the project. Their main concerns are related to parking and access. She noted that a cross access and parking easement through the Sears property will expire within the next year and will not be renewed. She asked how access and parking would be provided to Central Market customers throughout the various phases of the proposed project. She likes the proposal and believes Central Market will be an amenity to the new development, but she is also concerned that C Street would not be constructed until a later phase. She said she would like more information about where the staging areas will be located during the various phases of construction and asked where customers for the retail spaces in Building C and D would park. She is also curious about whether or not the proposed parking ratio would be increased if some of the space in the C and D buildings is constructed for restaurant uses. She asked if live/work units would be required as part of the proposal. She concluded that parking is the life bread of how a grocery store operates, and there must be enough in order for the store to be successful. She said she would like an opportunity to participate in future conversations. The property is complex, and only half of the Central Market Building is owned by ROIC. She questioned if the other property owner has been brought into the conversation.

**Krista Tenney, Shoreline**, said she can walk to Central Market, which is an incredible experience. She supports the market and other stalwart businesses in the area. She recalled that before the Central Market came, the property was an urban blight. Having the market bring a vision of what a community place can be has been wonderful. She supports redevelopment and has hope that additional collaboration can resolve the remaining issues. She said she was hoping that the retail spaces would be developed before the apartments, and she was also hoping that the plan would include opportunities to gather inside, recognizing that it rains a lot. She would like the Sears building to be removed and redeveloped before more apartments are put in. Apartments are already being constructed at Shoreline Community College, as well as a mixed development across from the subject property on Westminster Way N. She questioned how much additional traffic would be created by 1,300 more residential units. She reminded the Commission that Westminster Way N goes all the way up to N 145<sup>th</sup> Street and the intersection is already very challenging. The more people you put on the road, the harder it will be for people going south on

Greenwood Avenue to get from the stop sign to the light. Lastly, she asked how people would get in and out of the apartments identified as Buildings A and B.

**Jeanne Parrent, Shoreline**, said she lives in the Forestville Condominiums, and her balcony faces the Sears Building. In general, she is excited about the proposal, but she is apprehensive about the number of apartments proposed along the N 160<sup>th</sup> Street corridor and the impact that the additional traffic will have on the street. She commented that, with the current plan, a lot of the residential development will be along N 160<sup>th</sup> Street and pedestrians will still have to get up the steep grade to access the more interesting retail spaces. She said she would also like to see nicer community-oriented spaces, similar to Third Place Books in Lake Forest Park, included as part of the project. There is also a great opportunity to bring an electric car rental business to the area. She acknowledged that creating good ecological and community spaces will not bring in as much money as a residential development, but she encouraged them to explore these additional opportunities as part of the proposed plan.

**Trevor Rainwater, Shoreline**, said he lives on N 160<sup>th</sup> Street and does amateur astronomy. He questioned if any studies have been done to identify whether or not the proposed project would increase the amount of light and noise pollution. He said he understands that traffic will increase as the density is increased, and he is okay with that because his house is set back off the street. However, while he enjoys night life, he doesn't want it in his backyard.

Commissioner Craft asked for clarification from the applicant about the sequence of events over the 20-year horizon of the proposed DA. **Glenn Goodman, Vice President of Design and Construction, MGP**, explained that the biggest obstacle is the existing Sears Building, which is 3-stories and 300,000 square feet. The building is occupied by the Sears Outlet and another short-term lease tenant. They look at the building as a way to generate some income during the process of planning for redevelopment and entitlement. It might be possible to develop some areas earlier, such as the E1 and E2 Buildings that are located at the gateway to the development. It might also be possible to develop the A1 and A2 Buildings earlier because the space is already open. He agreed that the C Street access is very important and included in the CRA vision and they are exploring the possibility of keeping the Sears Building operational for the next few years and still construct C Street and the D1 and D2 residential Buildings. Providing this access from the N 155<sup>th</sup> Street intersection to the ROIC property sooner would be a win for everyone.

Commissioner Craft requested more information about the number of parking spaces that would be provided per unit. Mr. Gwilliam responded that the amount of parking required will be determined at the Building Permit stage, but it will comply with code and meet market demand. All of the residential parking will be located under the buildings, and there will be no vehicular access through the promenade.

Commissioner Craft said he understands that community open space would be provided in the middle area around the retail spaces, but Boeing Creek Park would be significantly impacted by the additional 1,358 residential units. Currently, Boeing Creek Park is an old growth park that would likely be heavily used by the residents of the project. He suggested it would be beneficial to the overall plan and provide a great benefit to the community if the applicant were to take this situation under consideration. Mr. Gwilliam said that specific park has not come up in conversations with staff. However, even if all of the requested credits are granted, MGP would still pay over \$2 million in Park Impact Fees. Those dollars can be used

for Boeing Creek Park and other parks impacted by the project. Again, Commissioner Craft asked the applicant to specifically consider the impacts to Boeing Creek Park as a result of the development.

Vice Chair Mork asked why the applicant is only requesting 10 feet of additional height. Mr. Gwilliam said the request is based on construction types and the grade change across the property. Typically, 5-over-2 or 5-over-1 construction has a maximum height of 75 feet, with the ability to have some architectural appurtenances. MGP does not believe there is sufficient demand in the current market to compensate for the cost of other types of construction used for taller buildings. Vice Chair Mork asked if the applicant would provide rooftop space for the tenants to use, and Mr. Gwilliam answered that there would be rooftop space available on top of the parking podiums. He said some of MGP's multifamily partners incorporate rooftop decks, balconies, etc. as additional amenity space, and the City's code requires multifamily open space.

Vice Chair Mork recalled that stormwater was a concern when the CRA was adopted. She asked the applicant to explain the proposal to handle stormwater. **Jeff Chambers, Civil Engineer, PacLand**, explained that, with the exception of ROIC's small level of detention in front of Central Market, there is currently no major on-site detention. The project will comply with the code in place at the time of Building Permit application. The current code mandates low-impact design, and the Department of Ecology's proposed update will make the requirements even stricter. The current plan is that each parcel would handle its own stormwater, and they are assuming the bulk of the water will be infiltrated. Vice Chair Mork asked if stormwater management would be discussed in greater detail as part of a Building Permit application, and Mr. Cohen answered affirmatively.

Mr. Cohen referred to the earlier question about building height and explained that building height is measured from the top of the rooftop. Rooftop equipment and appurtenances are not included in the calculation, but have their own separate height limits. The applicant has asked for 80 feet, but depending on the grade change, staff is not sure the additional height will be necessary.

Commissioner Davis asked if the applicant's market study is available for public review. Mr. Cohen said the market study was provided in the Staff Report for the March 7<sup>th</sup> meeting and provides details about how the applicant is approaching the balance between retail, commercial and residential. Mr. Gwilliam agreed to address this issue on MGPs website. Mr. Cohen pointed out that the March 7<sup>th</sup> Staff Report is available on the Planning Commission's webpage, as well.

Commissioner Davis commented that the project is large and will not have a significant threshold, other than code, to meet for sustainable design. She asked the applicant to share MGP's plans for sustainable design features for the site and how it will go above and beyond the code minimum. Mr. Gwilliam said MGP provided a detailed memorandum when the City was considering adding additional LEED requirements. Mr. Foster added that Mr. Chambers already addressed a lot of the civil aspects of design, and stormwater design will probably provide the most benefit. The proposal also increases density in already urbanized areas rather than outside the urban growth boundary. The proposed location, with its proximity to Bus Rapid Transit (BRT) service and jobs in the greater developed area, is a great place for density. This urban design offers a sustainable approach without moving to systems like LEED or other proprietary measurement systems. Mr. Gwilliam added that, from a sustainability standpoint, redevelopment would be a great improvement over the current condition.

Commissioner Lin asked how much more pervious surface would be provided on the site than what currently exists. She asked if the majority of the runoff reduction would come from less pavement. Mr. Chambers explained that, other than the Sears Building, the majority of the site is developed as a parking lot, which produces pollution-generating runoff that gets treated. He estimated the proposed project would result in an 80% reduction in pollution-generating surfaces, and the amount of impervious area would be reduced by about 20%. Currently, there is no on-site stormwater control and/or treatment. The pollution-generating surfaces run into the storm system, combining into Boeing Creek and running down to the Sound. There is a huge opportunity for each development to incorporate stormwater elements within the community spaces between the buildings.

Chair Montero asked MGP to share information about the five shared-roadway projects they have done elsewhere. He said he assumes that the bank development would remain on Block F. Mr. Gwilliam confirmed his assumption.

Vice Chair Mork asked the applicant to respond to the adjacent property owner's request for more time. Mr. Gwilliam responded that the majority of their questions have already been raised by the City and Commission and will be addressed through the Site Development Permit process. No projects will be approved or easements granted without approval from adjacent property owners. Issues related to private property owners are separate matters that will be dealt with among the property owners. They need to be addressed before construction, but they don't need to be addressed before the framework for development is established, which is what the DA does. There have not been any other DAs in Shoreline, and the concept is fairly unique because it primarily applies to large, multi-phased projects of this nature. MGP does not believe there is a need to slow the process down. They clearly understand the issues that have been pointed out, and they have solutions. They will continue to reach out to ROIC.

Vice Chair Mork reviewed that the Commission heard concerns about traffic impacts on streets that were not identified as being areas of concern in the original CRA. She asked if the City has considered impacts to Greenwood Ave. and N 145<sup>th</sup> Street. Ms. Juhnke said the Traffic Engineer worked closely with Mr. Read to identify the impacted intersections, and that is how they identified the contributions to both Innis Arden/N 160<sup>th</sup> Street/Greenwood Ave. and Carlyle Hill/Dayton intersections. Some of the surrounding intersections were addressed as part of the traffic analysis, and she agreed to forward the traffic analysis to the Commission and specifically respond to whether or not the Greenwood Ave/Westminster Way N and Greenwood Ave/N 145<sup>th</sup> Street intersections were part of the analysis.

Commissioner Davis expressed her belief that moving quickly on a development this large also requires a larger-scale look at impacts that will involve more than just adjacent intersections and properties. She would like the proposal to consider potential impacts to parks and intersections outside of the CRA. If the site sells quickly, development could move forward quickly. While this is exciting, she wants to make sure the City does its due diligence upfront.

Vice Chair Mork said she is very interested in addressing the subject property's impact on Boeing Creek from stormwater, but she hasn't heard any definitive solutions other than the City's code would be followed. This response doesn't really address her concern since all of the codes would be followed regardless of how the site is redeveloped.

Commissioner Lin voiced concern that only one pedestrian crossing would be provided on N 160<sup>th</sup> Street, which is a long stretch of street. She observed that cars travel quite fast down N 160<sup>th</sup> Street and the grade change creates some sight distance issues. Mr. Gwilliam referred to Sections 7c and 7d of the DA, which discusses MGP's requirement to re-channelize N 160<sup>th</sup> Street, including the addition of a rapid flashing beacon pedestrian crossing. The proposed pedestrian crossing is located per the City Traffic Engineer's recommendation.

Commissioner Davis asked why the City is not requiring the DA to include a timeline for the Sears Building demolition. Mr. Danysh said it is up to the City to make a decision on demolition timing after considering the merits of the question. The City has a strong interest in seeing it demolished as quickly as possible, and he doesn't know what more the proponent can say with regard to their desire. The Commission can recommend to the City Council that there be a timeline associated with the Sears Building demolition, and that type of recommendation will likely engender more conversation between the applicant and the Commission and then with the City Council who will make the ultimate decision.

Chair Montero said his understanding is the applicant has certain constraints due to existing leases that remain in effect through 2023. Mr. Gwilliam said MGP is studying the option of tearing down at least a portion of the building to allow Block D to move forward on an earlier schedule. He said the issue is a matter of flexibility and understanding all of the implications associated with the building's demolition. There are negatives to having a hole in the ground for an extended period of time, and it is difficult to lease out a large number of units at the same time. Tearing the building down and putting a fence around the area for a long period of time would be a worse situation.

The Commissioners agreed that another study session is needed prior to a public hearing so the Commission can receive additional clarity from staff. Mr. Cohen said staff would provide a response to each of the questions raised by the Commissioners prior to their continued discussion on May 16<sup>th</sup>. He encouraged them to submit additional questions to him, as well. A public hearing could potentially be scheduled for June 6<sup>th</sup>.

### **DIRECTOR'S REPORT**

Director Markle did not have any items to report.

### **UNFINISHED BUSINESS**

There was no unfinished business.

### **NEW BUSINESS**

There was no new business.

### **REPORTS OF COMMITTEES AND COMMISSIONERS/ANNOUNCEMENTS**

Vice Chair Mork reported that she would set up another meeting for the subcommittee to review the Commission Bylaws.

**AGENDA FOR NEXT MEETING**

The May 16<sup>th</sup> agenda will include a continued study session on the Shoreline Place Development Agreement Proposal.

**ADJOURNMENT**

The meeting was adjourned at 9:26 p.m.



William Montero  
Chair, Planning Commission



Carla Hoekzema  
Clerk, Planning Commission