

# The Spring District Development Agreement Amendment & LUCA

## City Council Study Session

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# Direction for Council Consideration

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Direct staff to prepare the Development Agreement (DA) Amendment for Public Hearing, initiate the corresponding LUCA, and enter a finding of necessity for Council to process the LUCA



# Agenda



Background



DA Amendment Negotiations



Proposed Amendments



Process and Next Steps



Direction



# BelRed Code and 2009 DA

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## **LUC 20.25D.035:**

- Authorizes DA for Catalyst Project in BelRed
- Reduced fee-in-lieu rate for Tier 1 amenities (Parks & Streams, Regional Transfer of Development Rights)
- Extended vesting up to 15 years

## **DA (City and Wright Runstad):**

- Developer-funded infrastructure of over \$300,000/acre
- Fee-in-lieu rate for Tier 1 amenities of \$4.00/SF
- Expires on May 3, 2027



# The Spring District

- Catalyst Project
- 19 parcels developed, over 750,000 SF
- + \$10.7 million in fee-in-lieu paid
- DA terms satisfied:
  - All Catalyst Project criteria
  - Minimum open space
  - Minimum residential
- 8 parcels to be developed



Image from  
King County Parks



# 2023 DA Amendment Negotiations

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- Wright Runstad requested 10-year extension for Catalyst Project
- City requested increase in fee-in-lieu in exchange for 10-year extension
- Parties negotiated fee-in-lieu increase and time period for fee-in-lieu increase
- Parties agreed that City could apply the fee-in-lieu payments to development of affordable housing
- DA ensures continued private investment in public infrastructure in Spring District



# Proposed DA Amendments

	Current	Proposed
<b>Fee-in-Lieu for Tier 1 amenities</b>	<ul style="list-style-type: none"> <li>• \$4.00/SF until May 3, 2027</li> <li>• 2023 Published rate (currently \$22.38/SF)</li> <li>• Cannot apply payments to affordable housing</li> </ul>	<ul style="list-style-type: none"> <li>• \$4.00/SF until May 3, 2027</li> <li>• 45% of published rate after May 2027</li> <li>• May apply payments to affordable housing</li> </ul>
<b>Vesting</b>	<ul style="list-style-type: none"> <li>• 15 years</li> </ul>	<ul style="list-style-type: none"> <li>• Proposed—additional 10 years, up to 25 total</li> </ul>





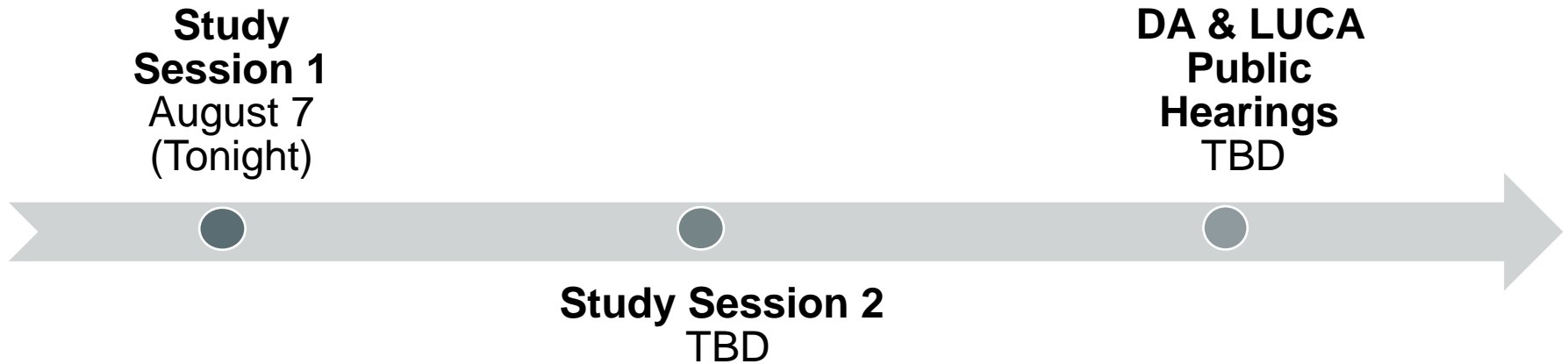
# Corresponding LUCA

- Needed to comply with state requirements for DA to be consistent with Code
- Amendments to LUC 20.25D.035:
  - New fee-in-lieu rates
  - Application of fee-in-lieu payments to affordable housing
  - Add to extended vesting period





# Council Process



## Next Steps:

- Notice of Application for LUCA
- Draft Ordinances, Staff Report, and environmental review for DA and LUCA
- Council review of Ordinances
- Public Hearings and Possible Action on the DA & LUCA



# Direction for Council Consideration

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