

CITY COUNCIL STUDY SESSION

Development Agreement to enable a mixed-use multifamily development in the Crossroads Subarea.

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DIRECTION NEEDED FROM COUNCIL**DIRECTION**

Staff will be presenting a draft Development Agreement for Crossroads Multifamily Project (DA) to enable a multifamily development in the Crossroads Subarea and implement Comprehensive Plan Policies S-CR-79 and S-CR-81. Staff seeks Council direction to prepare the DA for public hearing and consideration of final approval at a future meeting.

RECOMMENDATION

Move to direct staff to prepare the DA for public hearing and consideration of final approval at a future meeting.

BACKGROUND & ANALYSIS**Legislative History**

The Land Use Code (LUC) 20.10.440 Land Use Charts - Residential, note 6 prohibits multifamily development in Planning District E of the Crossroads Subarea north of NE 8th Street, except through a Council-approved development agreement. The development agreement must be consistent with Chapter 36.70B RCW, Local Project Review, and include design guidelines that advance the vision of applicable Comprehensive Plan Policies (S-CR-79, S-CR-80, S-CR-81, Figure S-CR.2, Attachment A) regarding the creation of mixed-use developments with pedestrian connections, park connections where appropriate, and public open space.

The City adopted the provisions in this note 6 through Ordinance No. 6229 on June 1, 2015. The legislative intent of this Ordinance is to update the historical prohibition of multifamily development in Crossroads Planning District E, while tracking housing developments for consistency with the overall vision for Crossroads. Specifically, Comprehensive Plan Policy S-CR-80 requires assessment of new mixed-use multifamily development in Crossroads District E north of NE 8th Street when 300 or more dwelling units are constructed and occupied. The assessment must also be completed prior to accepting and vesting permit applications exceeding 400 dwelling units in District E north of NE 8th Street, so that the City may evaluate whether to allow or restrict additional multifamily housing within the District.

Project Proposal

The subject property is 7.5-acres and located on 15600 NE 8th Street, north of the existing “Michaels” store and south of “Stone Gardens” in the Crossroads Mall. The property is currently improved as a surface parking lot. The property is bordered by 160th Avenue NE, a private street, which is planned to provide primary access to the proposed development.

The Applicant, Terranomics Crossroads, has submitted an application for Design Review (File No. 18-132391-LD) for a mixed-use development comprising of 224 residential units, 14,500 SF of ground floor retail uses, and a parking garage with a total of 253 stalls (the Project). The six story mixed-use building has five stories of residential over ground level retail uses internal to Crossroads Mall, with the parking garage on the basement and ground floor levels.

The Project would eliminate 350 surface parking stalls that currently exist within the footprint of the proposed building. With 253 stalls added in the new parking garage (151 stalls on basement level and 102 stalls on Level 1), there will be a net decrease in total parking supply of 29 spaces compared to current conditions, or 2,245 parking stalls. A detailed parking analysis performed for the Crossroads Shopping Center shows there is excess parking available, even during peak Christmas seasons, and no adverse parking impacts are expected.

Required DA

Consistent with note 6 in LUC 20.10.440 Land Use Charts - Residential, the Project includes public benefits per Comprehensive Plan Policies S-CR-79, S-CR-81 and Figure S-CR.2, which have been memorialized in the draft DA (Attachment B). The DA describes outdoor gathering areas, public open space, park connectivity, and pedestrian connections and activity areas, and corresponding design guidelines.

The specific public benefits are as follows:

- *Open Space Opportunity Zone (OSOZ)* – The Project includes 36,820 SF area located directly west of the existing Crossroads Community Center as OSOZ. The OSOZ is planned to be improved with pedestrian sidewalks and bicycle trails connecting the open space to Crossroads Park and Community Center, and to include seating and hardscape features to provide opportunities for informal gatherings.
- *Mid-Block Connector/ Urban Trail* – The Project includes a network of Urban Trails; including a mid-block connector urban trail running east-west between the residential project and existing retail (Michael’s) development, and an urban trail through the OSOZ to connect Crossroads Mall to Crossroads Park and Community Center. The Urban Trails are pedestrian oriented, and will activate the project and invite users into the Crossroads Park and the OSOZ.
- *Park Interface Area* – The Project includes reparations and improvements at the Park Interface Area, approximately 1,250-SF area on the adjacent City-owned Crossroads Park and Community Center properties. The Park Interface Area includes an accessible urban trail connection between Crossroads Mall and Crossroads Park, landscaping, hardscaping and amenities.
- *Pedestrian Improvements* – The Project includes Pedestrian Improvements to connect to the surrounding street and sidewalk network, in order to improve pedestrian safety and the

pedestrian experience and to activate the Project. The Pedestrian Improvements include a sidewalk along the west side of 160th Avenue NE to connect to NE 8th Street, and pedestrian improvements to the south and west of the existing retail (Michael's) development.

Approval of the DA is required to achieve compliance with the LUCA in order to issue a decision on the Design Review for the Project. The DA will require the public benefits to be installed prior to the City's issuance of a Certificate of Occupancy for the Project. Per RCW 36.70B.200, the City is able to approve a development agreement by ordinance or resolution after a public hearing. As such, staff is introducing this draft DA to Council, and seeks direction to prepare the DA for public hearing and subsequent approval.

Public Process

The Notice of Application (NOA) for the Project was published on January 24, 2019. A Public Meeting was held on February 13, 2019. To date, the City received seven written comments.

The Applicant conducted a Community Outreach Survey in January 2019. The Applicant also installed an exhibit at Mini City Hall at Crossroads Mall with display boards and survey response cards. A total of 498 respondents (174 online, 324 offline) participated in the survey. The results of the survey prioritize the below elements for the design of the Project:

- Include connections between Crossroads Park and Crossroads Mall and provide community gathering spaces.
- Encourage all age engagement and provide accessibility.
- Ensure safety and security for users and the community.
- Protect natural environment.
- Include visual interest.

The Project was re-noticed on January 7 to provide information regarding the DA and State Environmental Policy Act (SEPA) review, and to solicit public comments through January 21. The SEPA review will be phased, with Phase 1 for the DA, and Phase 2 for the Design Review.

POLICY & FISCAL IMPACTS

Policy Impact

The DA will enable the proposed multifamily development to occur in the Crossroads Subarea and implement Comprehensive Plan Policies S-CR-79 and S-CR-81. The Project, with this DA, is expected to deliver public benefits, including pedestrian connections, park connections where appropriate, and public open space, that advances the vision for the Crossroads Subarea.

Fiscal Impact

There is no fiscal impact associated with implementing the DA. The Applicant will be installing the proposed public benefits prior to the City's issuance of Certificate of Occupancy for the Project.

OPTIONS

1. Direct staff to prepare the DA for public hearing and consideration of final approval at a future meeting.

2. Direct staff to prepare the DA with modifications for public hearing and consideration of final approval at a future meeting.
3. Do not direct staff to prepare the DA for public hearing and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Comprehensive Plan Policies (S-CR-79, S-CR-80, S-CR-81, Figure S-CR.2)
- B. Draft DA and Recordable Exhibits
- C. Community Outreach Summary, January 2019

AVAILABLE IN COUNCIL LIBRARY

N/A