

The Spring District Development Agreement Amendment & LUCA

Second City Council Study Session

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November 20, 2023



Direction for Council Consideration

Prepare the Land Use Code Amendment (LUCA) for public hearing and potential adoption, and prepare the Development Agreement (DA) Amendment for final approval



Agenda



Background



Revisions to DA Amendment



Conformance LUCA



Process and Next Steps



Direction



BelRed Code and 2009 DA

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
- DA terms satisfied:
 - All Catalyst Project criteria
 - Minimum open space
 - Minimum residential
- 8 parcels to be developed

Image from
King County Parks



Catalyst Project Infrastructure

- MDP Phase 1: Transportation (NE District Way, 121st Avenue NE), Recreation Space (Tract C), and Mini Park (Tracts G, J & K)
- MDP Phase 2: NE 14th Terrace, Sound Transit Platform Connection Plaza (Lot 3C)
- MDP Phase 3:
 - 124th multi-purpose path frontage
 - NE 16th Street, 123rd Avenue NE
 - 122nd Ave. NE (north of NE 16th Street)
 - NE 17th Street NE



Revisions to DA Amendment:

- Parties continued DA amendment negotiations following August 7th Council meeting.
- City proposed additional fee-in-lieu rate for Tier 1 amenities based on Council feedback:
 1. *Current \$4.00 per square foot fee-in-lieu rate through May 3, 2027.*
 2. *Fee-in-lieu would increase to 55 percent of published rate between May 4, 2027 and May 3, 2031.*
 3. *Fee-in-lieu would increase to 60 percent of the published rate subsequent to May 3, 2031.*
- Under the revised DA amendment, Wright Runstad still receives a significant reduction in the Tier 1 fee-in-lieu rate for life of the Catalyst Project.
- Parties agreed that City could apply the fee-in-lieu payments to development of affordable housing.



Revised DA Amendments

	Current LUC	Current DA	Amended DA
Extended vesting of Master Development Plan	No	Yes: 15 Years	Yes: 25 Years
Developer-Funded Catalyst Project Infrastructure Requirement	No	Yes	Yes
Reduced payment of Tier 1 fees-in-lieu for Catalyst Project	100%	17% of Published Rate	55% of Published Rate from May 4, 2027 to May 3, 2031 60% of Published Rate Thereafter
Tier 1 fees-in-lieu for commercial development may be used to support affordable housing (at City's option)	No	No	Yes

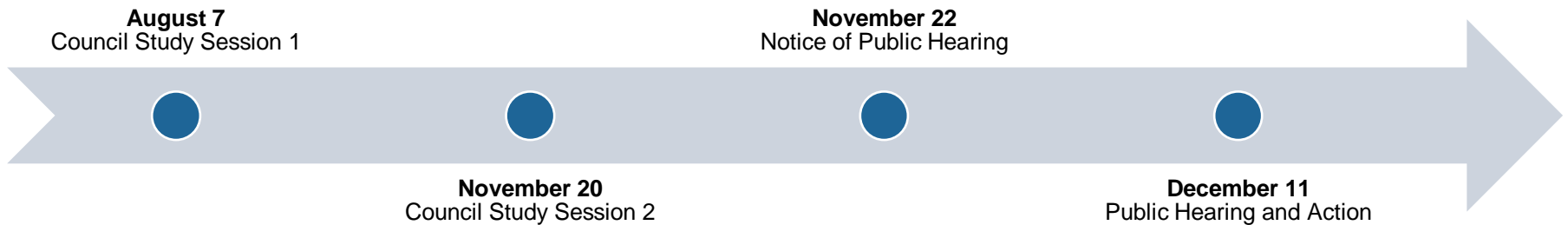


Conformance LUCA

- 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 Public Hearing
- Finalize LUCA Ordinance and Ordinance authorizing execution of DA Amendment
- LUCA Public Hearing and Possible Action on the LUCA & DA



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