

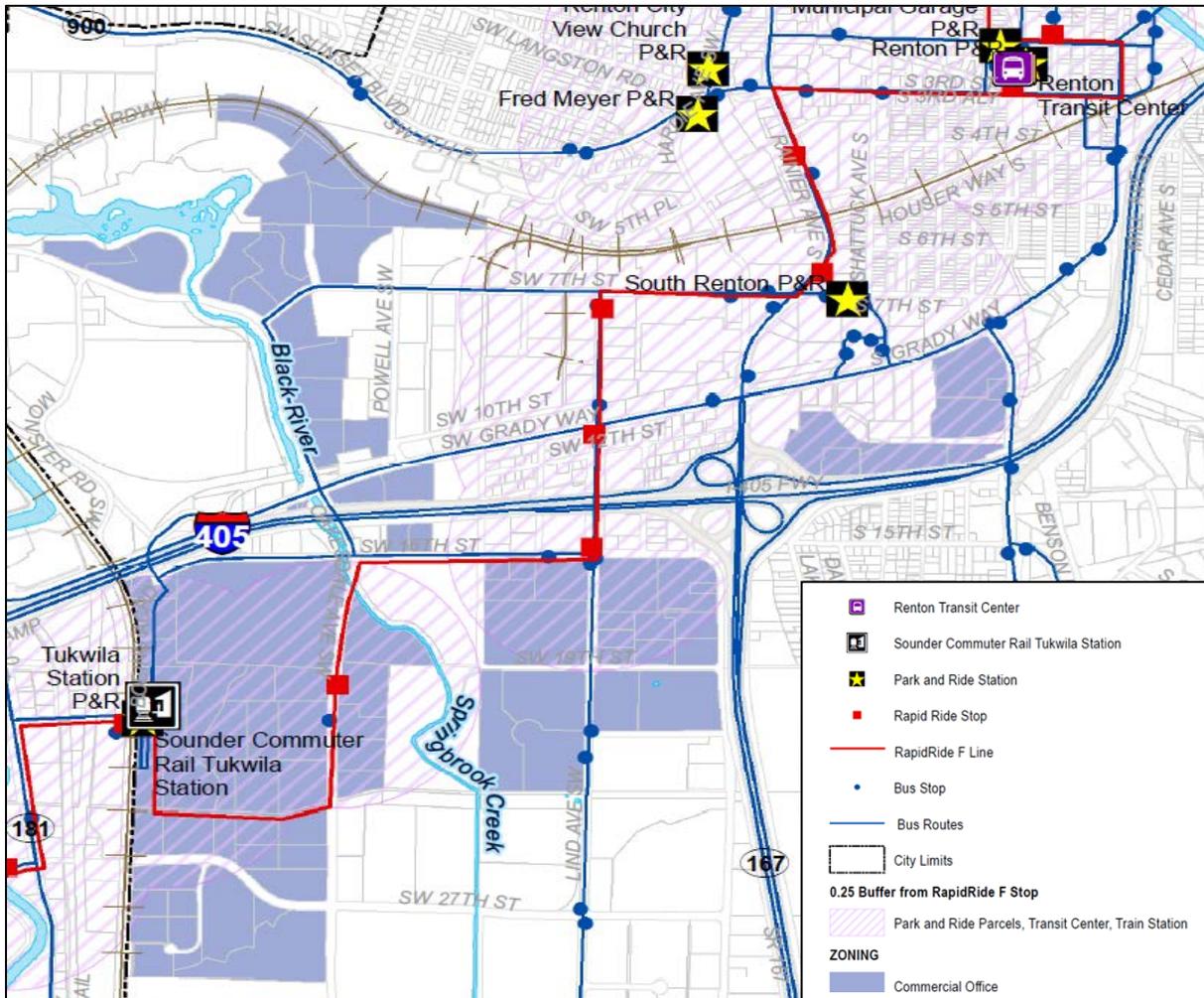
#D-113 RESIDENTIAL MIXED-USE DEVELOPMENT IN COMMERCIAL OFFICE (CO) ZONE

SUPPLEMENTAL STAFF REPORT

SUMMARY: This Supplemental Staff Report provides responses to issues that were raised at a Planning Commission meeting regarding amendments to the Renton Municipal Code Development Regulations (Title IV). It also includes additional information that staff has identified as being necessary to include in the analysis for amendments.

General Description

The Commercial Office (CO) Zone is intended for large properties situated along major transportation or transit routes, and to implement the Commercial and Mixed Use Comprehensive Plan land use designation. Currently, the CO Zone does not allow residential development. Considering the intent of the Commercial and Mixed Use land use designation to, in part, allow residential uses as part of a mixed use development, and the general proximity of CO zoned land to mass transit facilities (commuter rail, park-and-ride lots, the Renton Transit Center, and Rapid Ride bus service), staff proposes to allow residential mixed use buildings under limited circumstances in order to make the highest and best use of applicable properties. The image below *unofficially* identifies CO zoned lots located within one-quarter mile of a transit facility (a proposed minimum-distance criterion) with a hatched map symbol.



The proposed measurable criteria for a project to be eligible for this type of development, along with the applicable development standards, would result in substantial development. Staff's intent is to prevent projects of low to moderate size and intensity, and instead foster significant investments in eligible properties in order to promote substantial multi-family development in areas of the City that are directly supported by mass transit.

In order for a CO zoned property to be eligible for a residential mixed use development, the following criteria are proposed:

Attached dwelling units may be allowed through a Planned Urban Development pursuant to RMC 4-9-150, Planned Urban Development Regulations, and in conformance with the following:

- a. **Mass Transit Facilities:** The lot shall be located within one-quarter ($\frac{1}{4}$) mile (as the crow flies) of at least one of the following:
 - i. **Bus Stop:** An official bus service stop that offers levels of service comparable to all of the following:
 - (A) Service at least every 10 minutes during peak morning and evening travel times;
 - (B) 15 minute service during off-peak periods;
 - (C) Scheduled service for late night/early mornings;
 - (D) Full service seven days a week.
 - ii. **Dedicated Park and Ride:** A Park and Ride, as defined in RMC 4-11-160, Definitions P.
 - iii. **Commuter Rail:** A passenger rail station.
- b. **Mixed Use Building:** The building shall incorporate commercial uses, with at least two commercial uses on the ground floor:
 - i. The two required ground floor commercial uses shall be limited to retail sales, on-site services, eating and drinking establishments, and similar uses as determined by the Administrator.
 - ii. Additional commercial uses may be located above the ground floor, but shall be located below all dwelling units.
 - iii. Industrial uses are prohibited.
- c. **Building Form:** The building shall be a minimum of six stories in height. Commercial space shall be provided on the ground floor at thirty feet (30') in depth along any street frontage. Averaging the minimum depth may be permitted through the site plan review process, provided no portion of the depth is reduced to less than twenty feet (20'). All commercial space provided on the ground floor shall have a minimum floor-to-ceiling height of fifteen feet (15'). Residential uses shall not be located on the ground floor along any public street frontage.
- d. **Structured Parking:** Required parking for the dwelling units shall be provided entirely within an attached structured parking facility. Any approved surface parking lots shall be located to the rear or side of the building.
- e. **Prohibited Locations:** The lot shall not be located within one thousand feet (1,000') of an adult retail or entertainment business located within the City of Renton.

Additionally, the following new development standards are proposed for the CO Zone to regulate a residential mixed use development (other aspects of the development would be regulated by existing standards):

- **Minimum Density:** 75 dwelling units per acre
- **Maximum density:** 150 dwelling units per acre (up to 250 per Administrative Conditional Use Permit, and/or with density bonuses).

- Reduced setbacks will apply in order to create a more urban development with an active pedestrian realm.
- Design District “D” will apply (the Commercial Neighborhood and Commercial Arterial Zones, which are similar to Commercial Office, are governed by Design District “D”).

In response to difficulties and issues recently cited by customers related to balconies on high-rise buildings, staff proposes to provide some potential relief for required private open space cited in Title IV’s Planned Urban Development Regulations (RMC 4-9-150.E.2), as follows:

For dwelling units located above the sixth (6th) story, private open space may be provided by a shallow balcony accessed by a door with at least fifty percent (50%) glazing; any required private open space not provided by the balcony shall be added to the required common open space, pursuant to subsection 4-9-150.E.1 of this Section.

Planning Commission Issue: Commissioners voiced concern regarding the consequences of allowing residential mixed use development as opposed to office space or similar uses currently allowed in the Zone.

Staff Response: Staff is highly supportive of the proposed text amendments due to the complementary benefits created with high-density mixed use development in walking distance of transit facilities. However, another impetus for allowing high-density residential development in the CO Zone is the proposed redistribution of density throughout the City via the Comprehensive Plan update. The goal of preserving the high-quality character of Renton’s low-density residential neighborhoods accomplished by applying appropriate zoning results in additional lands needed to accommodate the transfer of density from areas outside the City-core (i.e., decreased density in low-density residential zones will need to be provided within commercial zones).

The fact that the properties proposed to be eligible for residential mixed use development in the CO Zone are concentrated within heavily urbanized areas of the City provides the opportunity to take advantage of economies of scale for infrastructure or service improvements necessitated by development. While the impacts caused by intense development can be more acute and ostensibly more severe, the concentrated impacts allow mitigating infrastructure or service improvements to be more efficient due to a limited land area. This is in contrast to dispersing density into other areas of the City that then causes strain on infrastructure at a greater number of disconnected locations, which creates inefficiencies, raises the cost of concurrency, and generally takes longer to complete.

Additionally, a development under the proposed standards would be required complete a Transportation Impact Assessment, and the project would be subject to review under the State Environmental Protection Act. If probable adverse impacts are identified and a nexus of proportionality is established the developer could be required to mitigate off-site impacts prior to occupancy.

Allowing residential mixed-use development in the CO Zone as proposed will make the redistribution of density from residential neighborhoods possible, it will concentrate housing options in urbanized areas that can benefit from currently established infrastructure and services that can be improved more efficiently, and off-site improvements can be required of developers in addition to impact fees.

Planning Commission Issue: A Commissioner inquired about infrastructure improvements planned for South Grady Way.

Staff Response: The 2015 – 2020 Transportation Improvement Program (TIP) identifies Phase 1 of a larger transportation improvement project extending from Main Avenue to the west City Limits. Phase 1 will focus on improvements from Lake Avenue South to Talbot Road South. The project involves an analysis of multi-modal transportation improvements, transit improvements along Grady Way, traffic signal prioritization, a continuous eastbound lane from Rainier Ave South to Talbot Road South, and new pedestrian crossings and channelization. According to the TIP, removal of the obstructions and reconfiguration of the right turn lanes to eastbound through lanes will add much needed capacity to the South Grady Way corridor.

Impact Analysis

Effect on rate of growth, development, and conversion of land as envisioned in the Plan

Allowing multi-family development within the CO Zone under the proposed conditions will provide significant opportunities for residential mixed use development. The increased opportunities for multi-family housing in the proposed eligible areas will likely offset decreased opportunities elsewhere in the City resulting from rezones.

A quantitative analysis of the proposed code amendment's effects will be provided in a subsequent staff report.

Effect on the City's capacity to provide adequate public facilities

The areas proposed to be eligible for residential mixed use development are generally located in areas well-served by adequate public facilities and services. Some potentially eligible properties are mostly undeveloped (e.g., long acres property located near the Tukwila Amtrak Station) however, public facilities (e.g., streets, sidewalks, etc.) would be installed as a condition of development. City services (e.g., police enforcement, emergency services) and utilities (e.g., domestic water, sewer, etc.) have the capacity to increase the level of service as needed in response to development that may occur as a result of the proposed Title IV amendments to allow residential mixed use buildings in the CO Zone.

Effect on the rate of population and employment growth

Allowing multi-family development within the CO Zone under the proposed conditions will provide significant opportunities for residential mixed use development. The increased opportunities for multi-family housing in the proposed eligible areas will likely offset decreased opportunities for population growth elsewhere in the City resulting from rezones.

Because residential development is proposed to be allowed in the CO Zone, albeit under limited circumstances, there may be decreased opportunities to provide uses that further employment growth.

A quantitative analysis of the proposed code amendment's effects will be provided in a subsequent staff report.

Whether Plan objectives are being met as specified or remain valid and desirable

The following Plan objective is being met:

Objective LU-UU: Create an urban district initially characterized by high-quality, compact, low-rise development that can accommodate a range of independent retail, office, research, or professional companies. Support the continuing investment in and transition of low-rise

development into more intensive, urban forms of development to support a vital mixed-use district over time.

Effect on general land values or housing costs

Allowing multi-family development on some CO zoned properties will likely increase the value of those lands due to a potential increase of the return on investment for residential mixed use projects, as opposed to an office building with the potential for limited commercial uses.

If substantial multi-family development (e.g., no less than 75 dwelling units per acre) were to occur as a result of the proposed code changes, the increased citywide share of this housing type would likely have no adverse effect on housing costs.

Whether capital improvements or expenditures are being made or completed as expected

Neither capital improvements nor expenditures are occurring nor are anticipated as a direct result of the proposed code amendments.

Consistency with GMA, the Plan, and Countywide Planning Policies

The proposed revisions are consistent with the GMA and multi-county planning policies of Vision 2040, specifically:

MPP-DP-15: Support the transformation of key underutilized lands, such as brownfields and greyfields, to higher density, mixed-use areas to complement the development of centers and the enhancement of existing neighborhoods.

MPP-DP-35: Develop high quality, compact urban communities throughout the region's urban growth area that impart a sense of place, preserve local character, provide for mixed uses and choices in housing types, and encourage walking, bicycling, and transit use.

The proposed revisions are consistent with the Countywide Planning Policies, specifically:

EN-16 Plan for land use patterns and transportation systems that minimize air pollution and greenhouse gas emissions, including:

Directing growth to Urban Centers and other mixed use/ high density locations that support mass transit, encourage non-motorized modes of travel and reduce trip lengths;

H-10 Promote housing affordability in coordination with transit, bicycle, and pedestrian plans and investments and in proximity to transit hubs and corridors, such as through transit oriented development and planning for mixed uses in transit station areas.

The proposed revisions are consistent with the Comprehensive Plan, specifically:

Policy CD-33. Site design for office uses and commercial and mixed-use developments should consider ways of improving transit ridership through siting, locating of pedestrian amenities, walkways, parking, etc. Ground floor uses and design should be pedestrian-oriented.

Policy CD-132. In mixed-use developments with ground-floor retail uses, residential parking areas should not conflict with pedestrian and vehicular access to the retail component of the project.

Policy H-25. Ensure that a sufficient amount of land in all multi-family and mixed-use areas of the City is zoned to allow attached housing and innovative housing types.

Policy LU-140. Pursue multiple strategies for residential growth including:

5) Mixed-use projects and multi-family development in Commercial and Center land use designations.

Policy LU-192. Include uses that are compatible with each other within mixed-use developments; for example, office and certain retail uses with residential, office, and retail.

Policy LU-215. Co-locate uses within a site and/or building in order to promote urban style, mixed-use development.

Policy LU-229. Support the co-location of uses within a site and/or building in order to promote urban style mixed-use (commercial/retail/office/residential) development.

Effect on other considerations

None

Staff Recommendation

Amend Renton Municipal Code as described to increase housing options, support regional investments in mass transit, and reduce adverse impacts on the transportation system of the City and region.

Implementation Requirements

Adopt the proposed amendments concurrently as part of an ordinance to adopt proposed Title IV amendments related directly to the update of Renton's Comprehensive Plan.