



# AB 5910

## Town Center Moratorium Legislative Options Consideration

July 6, 2021

# Update on Legislative History

- June 2, 2020: Ord. No. 20-12 enacted a moratorium on construction south of SE 29<sup>th</sup> Street in Town Center (TC) zoning designation
- Sept. 1, 2020: Ord. No. 20-18 amended the geographic area of the moratorium
- Nov. 17, 2020: Ord. No. 20-26 renewed the moratorium for 6 months
- April 6/20, 2021: Reviewed TC Commercial Feasibility Study conducted by Community Attributes, Inc., and staff directed to conduct additional analysis, explore “No Net Loss” option
- May 4, 2021: Ord. No. 21-09 renewed the moratorium for 6 months



# Town Center Moratorium Legislative Options

1. Do nothing.
2. Amend the TC Subarea Plan and Zoning Map to remove the moratorium area from the Town Center and rezone to an exclusive commercial zone.
3. Amend or repeal MICC 19.11.020 Figure 2, which illustrates retail street frontage requirements in the Town Center. (3 iterations outlined in later slides).
4. Amend MICC 19.11.020 to add a “no net loss” commercial retail square footage requirement throughout the Town Center administered on a parcel-by-parcel basis.
5. Amend MICC 19.11.020 to add a “commercial floor area ratio” requirement for properties subject to the requirement in Figure 2.
6. Mix and match various options.



# Option #1: Do nothing.

- No change to current development regulations.
- Commercial retail street frontage requirement would continue to not be required within the moratorium area.
- This option would not make progress on objectives of preserving existing commercial retail space or adding such space to meet anticipated future demand.



# Option #2: Amend the TC Subarea Plan and Zoning Map.

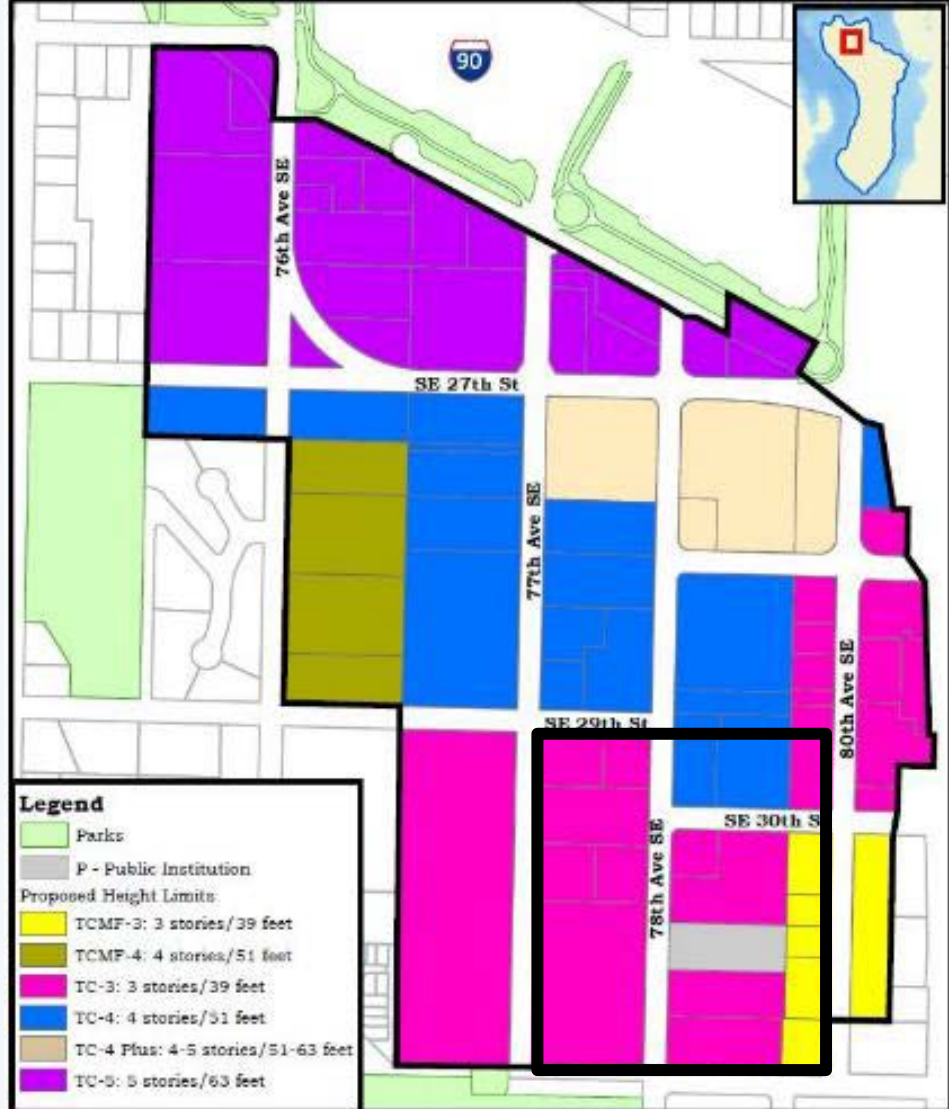
**Amend the TC Sub Area Plan and Zoning Map to remove the moratorium area from the Town Center and rezone to an exclusive commercial zone, such as a general commercial (GC), community business (CB), neighborhood business (NB), etc., zone.**

- Would remove some or all of the moratorium area from the TC boundary and prohibit residential uses.
- Could cause some parcels to become legal nonconforming.
- Complex legislative solution.



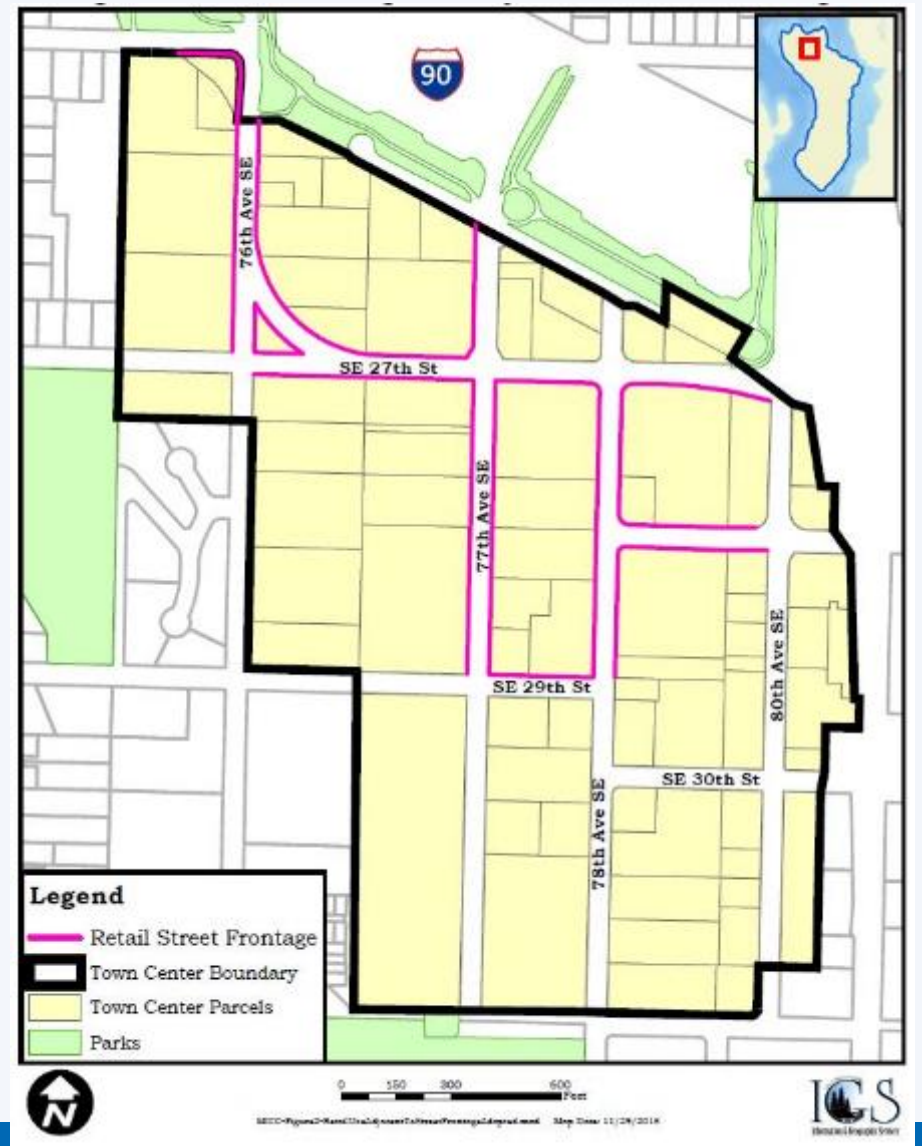
# Option #2: Amend the TC Subarea Plan and Zoning Map.

- Moratorium area is currently zoned as primarily TC-3, with some TC-4 and TCMF-3.
- Option makes progress on preserving existing commercial retail space but loses future residential capacity and doesn't make progress on meeting future commercial retail demand.



# Option #3: Amend or repeal MICC 19.11.020 Figure 2.

- Three variations for amending Figure 2, which illustrates current retail street frontage requirements.
- Current requirements were adopted in 2016 as part of the Town Center development regulation updates.
- 2016 updates concentrate commercial retail activity in the Town Center.



# Option #3: Amend or repeal MICC 19.11.020 Figure 2.

## #3(A). Amend Figure 2 to require blanket “retail street frontage” throughout the Town Center.

- Straightforward legislative solution
- May make progress on preserving existing commercial retail space
- Unlikely that progress would be made on adding space to meet future demand
- Would undo efforts from the 2016 development regulation updates to concentrate commercial retail activity in the Town Center





# Option #3: Amend or repeal MICC 19.11.020 Figure 2.

**#3(B). Amend Figure 2 to require “retail street frontage” in the Town Center by adding and/or deleting from the current map but stopping short of a blanket requirement as in option #3(A).**

- Straightforward legislative solution.
- May make progress on preserving existing commercial retail space.
- This option alone would not make progress on adding space to meet future demand.
- When combined with option #5 (detailed on later slides), could make progress on both preserving existing retail space and adding retail space to meet future demand.
- May also improve upon the 2016 development regulation updates to concentrate commercial retail activities in specific Town Center areas / corridors.



# Option #3: Amend or repeal MICC 19.11.020 Figure 2.

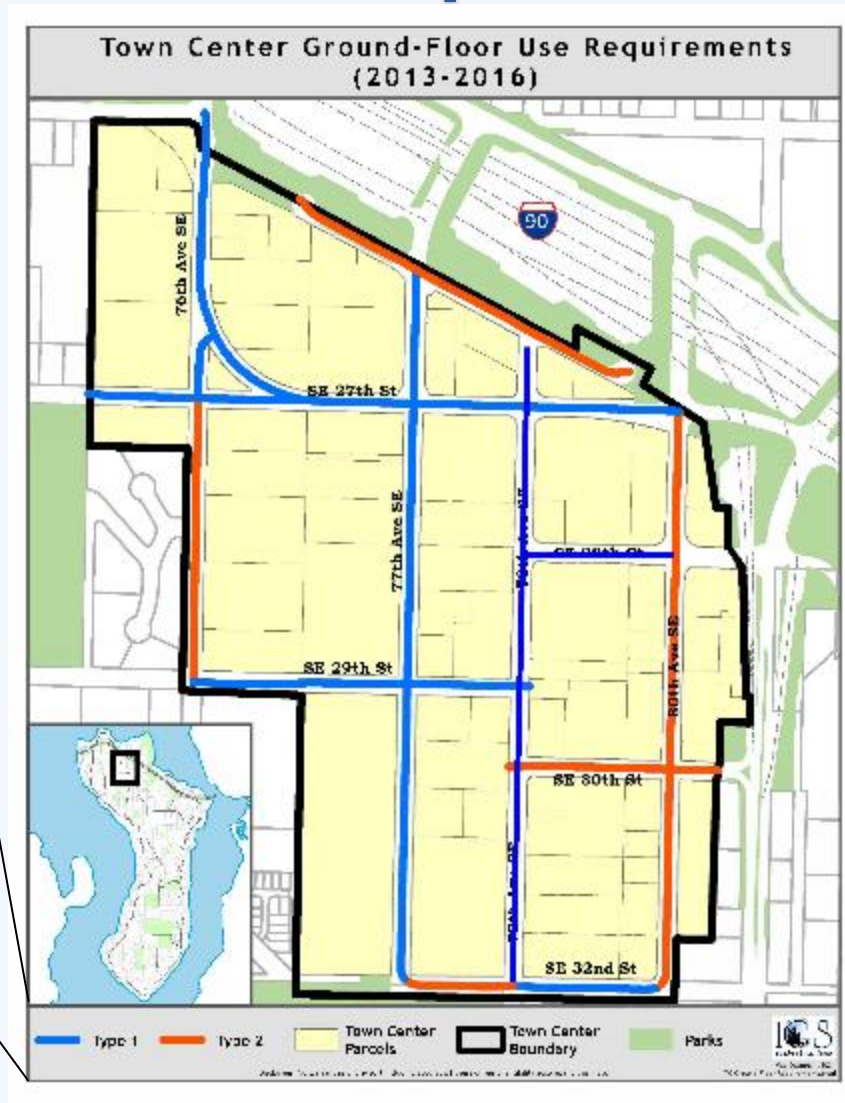
**#3(C). Repeal MICC 19.11.020 (B) and Figure 2, which require “retail street frontage” in the Town Center, and replace with the regulations existing prior to the adoption of Ord. No. 16C-06.**

- Repeals Figure 2 and supporting language, and generally replaces it with former requirements in effect from 2013-2016 (per Ord. No. 13C-01).
- Would need to update and modernize former language related to no net loss as well as public parking.
- May make progress on preserving existing commercial retail space but would not add space to meet future demand.
- Could regress in effort to concentrate commercial retail activity in the Town Center.



# Map of 2013-2016 Ground-Floor Use Requirements

- Type 1 Street**
  - 40/60 rule applies depending on whether development provides public parking
  - No net loss to sq ft of existing ground floor retail/restaurant, in aggregate, based on max retail/restaurant sq ft existing during immediately preceding 3 years on the site
- Type 2 Street**
  - No net loss to sq ft of existing ground floor retail/restaurant, in aggregate, based on max retail/restaurant sq ft existing during immediately preceding 3 years on the site



# Option #4: Add a “no net loss” requirement.

**Amend MICC 19.11.020 to add a “no net loss” commercial retail square footage requirement throughout the Town Center administered on a parcel-by-parcel basis.**

- Most discussed option to-date by City Council.
- Would make progress on preserving existing commercial retail space but would not add space to meet future demand.
- Provision would be based on current inventory of such space, which may place more burden on some parcels than others.
- Could result in parcel assemblage in the Town Center to even out this burden (i.e. two parcels consolidate - one with significant commercial retail space and one without).



# Option #5: Add a “commercial FAR” requirement.

**Amend MICC 19.11.020 to add a “commercial floor area ratio (FAR)” requirement for properties subject to the retail street frontage requirement in Figure 2.**

- Solves the inequitable burden presented by option #4.
- Calculate a commercial FAR requirement for new development based on:
  - Inventory of commercial retail space (+future demand if desired)
  - Corresponding total land area

**Total Comm. Retail Space = 50,000 sq ft**  
**Total Parcel Area Size = 200,000 sq ft**

**Commercial FAR = 50k ÷ 200k = .25**

*Therefore, in this example, for every 1 acre of Town Center redevelopment, 10,890 sq ft of commercial retail space would be required.*



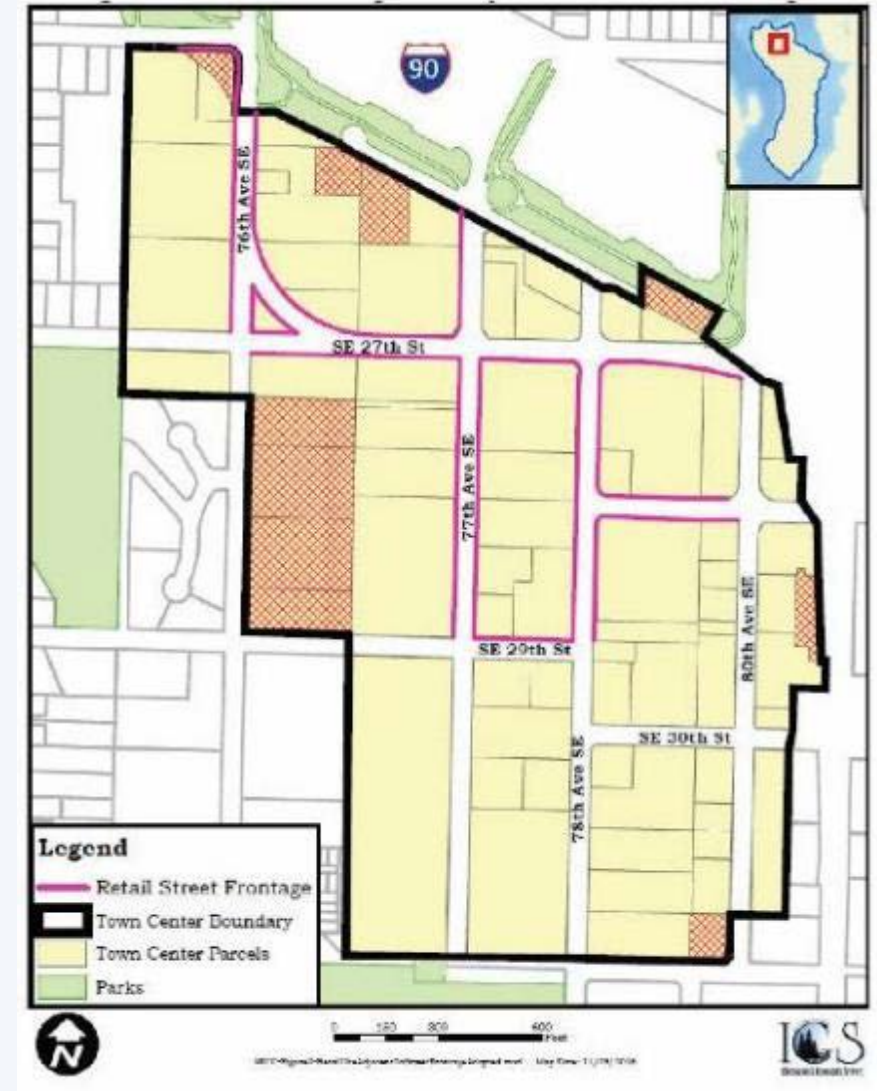
# Option #5: Add a “commercial FAR” requirement.

- Would result in some parcels experiencing net gain of commercial and others experiencing a net loss, resulting in achieving the total commercial retail space desired over the long-term
- Makes progress on preserving existing commercial retail space and adding space to meet future demand
- Best to combine this with option #3(A) or #3(B) to identify the parcels that would be subject to the commercial FAR



# Option #5: Add a “commercial FAR” requirement.

- Two criteria would be applied to determine whether a parcel was subject to the commercial FAR:
  1. Is the parcel located on a block subject to the retail street frontage requirement?
  2. Does the parcel include right-of-way within the defined Town Center boundary?



# Legislative Options - Evaluative Matrix

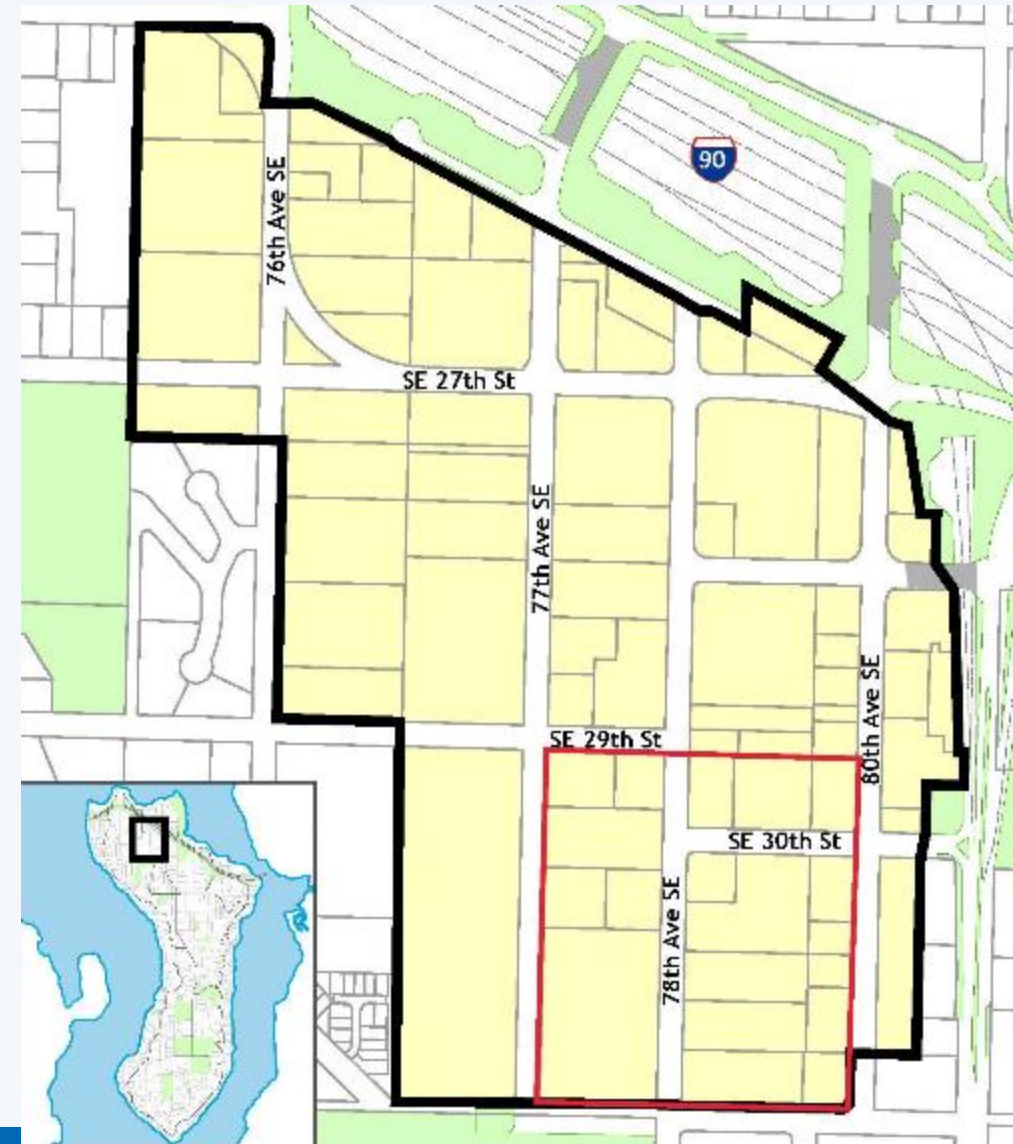
Option #	Detail	Preserves Commercial Retail	Increases Commercial Retail	Concentrates Commercial Retail	Code Amendment Complexity
1	Do Nothing	-	-	-	N/A
2	Rezone Commercial	X	-	-	High
3(A)	Blanket Commercial Retail	X	-	-	Low
3(B)	Surgical Commercial Retail	X	-	X	Low
3(C)	Revert to 2013 Code	X	-	-	High
4	No Net Loss Provision	X	-	-	Medium
5	Commercial FAR	X	X	-	Medium
3(B) + 4	Surgical Commercial Retail + No Net Loss	X	-	X	Medium
3(B) + 5	Surgical Commercial Retail + Commercial FAR	X	X	X	Medium











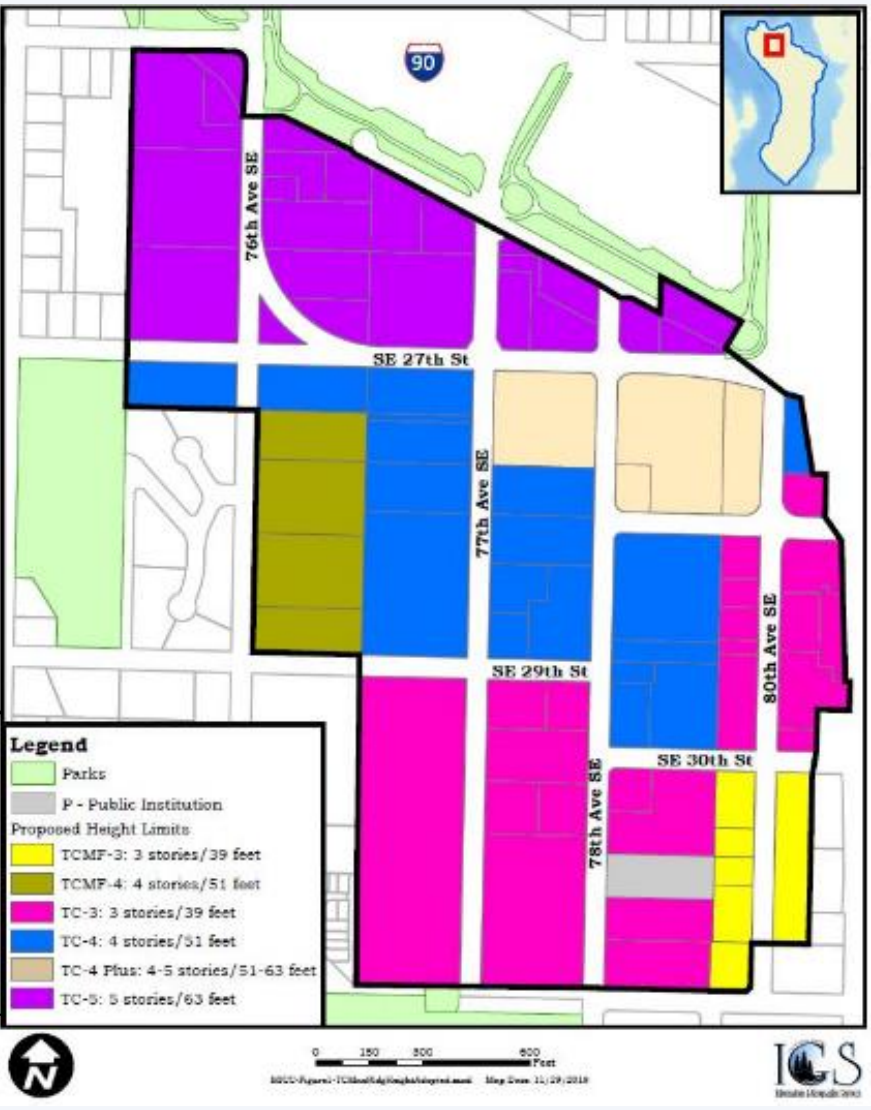
# Next Steps

1. Provide desired direction to staff on legislative options to address the Town Center moratorium.
2. Any code amendments directed by City Council will be presented to Planning Commission in fall 2021.
3. Any Planning Commission recommendation will be presented to the City Council in late 2021 for consideration and adoption.
3. The current moratorium expires on December 1.



# Current Town Center Subareas

	<b>TCMF-3: 3 stories / 39 feet</b>
	<b>TCMF-4: 4 stories / 51 feet</b>
	<b>TC-3: 3 stories / 39 feet</b>
	<b>TC-4: 4 stories / 51 feet</b>
	<b>TC-4 Plus: 4-5 stories / 51-63 feet</b>
	<b>TC-5: 5 stories / 63 feet</b>



# Requirements per Ord. No. 13C-01

Classification	Locations	Ground-Floor Use Requirements
Type 1 Street	<p>All of SE 27<sup>th</sup> St            All of SE 29<sup>th</sup> St            SE 28<sup>th</sup> St, west of 80<sup>th</sup> Ave SE            All of 77<sup>th</sup> Ave SE            All of 78<sup>th</sup> Ave SE            76<sup>th</sup> Ave SE, north of SE 27<sup>th</sup> St            SE 32<sup>nd</sup> St, west of 78<sup>th</sup> Ave SE</p>	<p>If development provides public parking:</p> <ul style="list-style-type: none"> <li>• 40% or more retail, restaurant, or personal services</li> <li>• No more than 60% hotel/motel, public facilities, services, or office</li> </ul> <p>If development does not provide public parking:</p> <ul style="list-style-type: none"> <li>• 60% or more retail, restaurant, or personal services</li> <li>• No more than 40% hotel/motel, public facilities, services, or office</li> </ul> <p>No net loss to square footage of existing ground floor retail and restaurant, in aggregate, based on max retail and restaurant sq ft existing during immediately preceding 3 years on the site</p>
Type 2 Street	<p>All of Sunset Highway            76<sup>th</sup> Ave SE, south of SE 27<sup>th</sup> St            All of 80<sup>th</sup> Ave SE            SE 32<sup>nd</sup> St, east of 78<sup>th</sup> Ave SE            All of SE 30<sup>th</sup> St</p>	<p>If development does not provide public parking:</p> <ul style="list-style-type: none"> <li>• No net loss to square footage of existing ground floor retail and restaurant, in aggregate, based on max retail and restaurant sq ft existing during immediately preceding 3 years on the site</li> </ul>

