

Dear Mercer Island Planning Commission,

February 10, 2022

My name is Tenley Tobin and I am a retired Architect (worked for Callison Architects, Sabey Corp., and Mulvaney G2) and the Trustee of the Alsin Family Trust which owns the Islandia Center in the Mercer Island Town Center, located on 78th Ave. SE and 30th Street. This property has been owned by my family since 1947 when my grandmother purchased the land, which originally included the Fire Station and the Post Office, in addition to other property including the corner lot where Corry's Dry Cleaner and MI Florist are located. In 1964, my grandmother demolished her house on this 1.28 acre property and built a commercial building for two large tenants: Islandia Furniture (owned by my father), and Mayfair Department Store. The square footage of the Islandia Center is 23,705 s.f., however, there is only approximately 200 lineal feet of storefront. The footprint of the building was originally designed for two large tenants, which explains the necessity for the 100 ft. depth. In time, both larger tenants left the Islandia Center and my grandmother re-tenanted with much smaller retail businesses, restaurants, and personal services.

Throughout decades of re-tenanting, it has been a significant challenge to rent spaces with deep, bowling alley, configurations. Mercer Island does not attract nor support businesses in need of larger square footage, i.e. drug stores, grocery stores, hardware stores, etc. Typical small tenants require roughly 2,000 to 3,000 s.f. In today's market, the majority of tenants are looking for a depth of approximately 40 - 50 feet, our building has 100 ft. depths. The proposed changes to the Ordinance would force any future redevelopment on our property to replicate a functionally obsolete building in terms of square footage, which was designed for two large tenants. Since the probable depth requirements for today's smaller tenants is approx. 40 - 50 feet, if the No Net Loss provision was applied, the redevelopment project would require approximately 14 tenant spaces, twice the number of tenants in our current building. This is physically impossible to build. Our property site is an L-shape with very little street frontage in proportion to the site square footage. Retailers and small businesses will not rent spaces that don't have street visibility. With the No Net Loss provision we would be forced to provide 23,705 s.f. of commercial space. There is no feasible configuration for this amount of commercial square footage on our site in a mixed-use project. Commercial spaces in the southeast corner of the site with

no windows or visibility would not be feasible. This creates an impossibility for redevelopment. As an architect, I have applied the code revisions to a preliminary feasibility study, and have concluded that a mixed-use building could not be designed that would comply with the proposed changes to the Ordinance. In addition, the maximum 60 lineal feet of street frontage limitation would eliminate any possibility of a larger tenant.

The bottom line is the proposed provisions and restrictions imposed on future development on our property will create an impossibility to meet the commercial requirements. The No Net Loss provision, if enacted, prohibits a mixed-use project on our site, and economically destroys any future development. It will catastrophically reduce the value of our property by millions of dollars. Therefore, the Islandia Center will never be redeveloped and the now 58 year old building will remain, without the possibility to enrich and enliven the Town Center with a re-developed property that is aesthetically well designed and meets the needs of a growing community.

Our family has deep roots in the Mercer Island community, dating back 75 years. My great uncle was instrumental in the initial paving of Island Crest Way from a gravel road. The Dean family opened Island Books and became our tenant 48 years ago, while my siblings and I were in high school. Over the many decades we have retained many of our tenants with long tenancies, a testament to our center. When I became the Trustee and Manager of our property 20 years ago, it has always been my goal to value the needs and desires of the MI community, prioritizing the right mix of tenants for the MI community, and working hard to ensure our mutual profitability and success of tenant and landlord. When the pandemic hit two years ago, I offered deferments and payment plans to all our tenants, in order to ease the burden of any economic hardship. As a result, we did not lose a single tenant, an accomplishment I take pride in. I have always managed our property with the philosophy of a partnership between landlord and tenant. Similarly, I believe the City Council and City Planners should partner with landowners in a collaborative effort to determine what is the best vision for the MITC and the best means to achieve these goals. I recognize the importance of sensitivity to aesthetic design, community needs and desires, within the parameters of the Growth Management Act. A vibrant Town Center should be the goal for Mercer Island, not vacancies in properties that were forced into

building commercial spaces that are impossible to realistically lease out, or even build, as in our case.

The FAR and No Net Loss methodology as applied to zoning codes in a town center is unusual and unproven. The CAI report uses data that is not refined or accurate regarding total retail taxable revenue, not differentiating between on-line sales and brick and mortar sales. In addition, the report uses unrealistic CAP rates ranging between 4 to 5, which in reality fluctuates regularly and never averages out this favorably. The Planning Commission and City Council should analyze any reports through a critical lens. Also, the language in the proposed changes to the Ordinance does not include the allowance for driveways along the street frontages. There is confusing and unclear language regarding the "Uses Required Adjacent to Street Frontages". Sarah Bluvast said Jeff Thomas will be addressing these issues.

In the January 26th Zoom Planning Commission meeting there was a discussion on the desire to eliminate all residential development in the MITC and only allow single story buildings of select uses. The population of MI is projected to grow, according to the CAI report, and mandated in the Growth Management Act. Where will the growth occur? Mercer Island residents have expressed their clear desire to not allow any multi-family in single-family neighborhoods, nor to allow the expansion of the Town Center borders. Compliance with the Growth Management Act will never be achieved under the proposed changes to the Ordinance, which cripples new developments with unreasonable encumbrances. Conversely, multi-family re-development within the Town Center will create housing which will attract a more vibrant, diverse community. A good example is the revitalization of Main Street in Bellevue.

I received a notification from the City of MI regarding the proposed changes to the Ordinance on January 24, 2022. As one of the few landowners who will be greatly affected by the changes in the proposed Ordinance, I would have expected to be contacted by the MI staff, City Council and Planning Commission well before this date. Many meetings and public input opportunities came and went without my awareness or knowledge. There were public input meetings where no individuals attended or spoke. This is a clear demonstration of a lack of outreach to the appropriate parties. I am requesting the Planning Commission

extend the timeline of this process. This would allow landowners a fair and reasonable amount of time to research and consult with professionals, as well as allowing the Planning Commission and City Council enough time to thoroughly deliberate and not push through a decision that may not meet GMA requirements, nor be legal. It is a mistake to create requirements that are unachievable, as is the case with the Islandia property.

As Trustee of our family asset, it is my duty to preserve and protect the value of our property. However, our family has no intention to sell now or in the near future. Our elderly aunt's livelihood solely depends on the income from this property, and it is not in her best interest to sell now. The Mercer Island community is important to our family. The Islandia Center is our family legacy and we have been conscientious stewards of this property for decades, for the benefit of our tenants and the Mercer Island community.

On behalf of the Alsin family, I am asking the Planning Commission and City Council to remove the No Net Loss provision in the proposed Ordinance. If these changes are passed, it would in effect eliminate the possibility of any future re-development of our property. In addition, we request an extension of the time frame for all affected parties in this process, and to encourage greater input from property owners.

Thank you for your time and consideration.

Sincerely,

Tenley Tobin