



Community Development Department

(425) 888-5337 | communitydevelopment@snoqualmiewa.gov
38624 SE River St. | P.O. Box 987
Snoqualmie, Washington 98065

STAFF MEMO

To: Snoqualmie City Council
From: Andrew Levins, Land Use Planning Consultant
Mona Davis, Community & Economic Development Director
Date: May 12, 2025
Subject: SMC 17.37 Retail District Overlay Code Amendments

BACKGROUND:

The proposed amendments originated from recommendations by the Economic Development Commission (EDC) in December 2023, initially suggesting an increase in retail occupancy to 100% in the Retail Use Overlay, along Railroad Avenue, and extending the good faith leasing period from 120 to 180 days. Outreach occurred through City Staff meetings with the Ridge and Downtown Merchants associations in May 2024, resulting in broad merchant support for higher retail use occupancy requirements and clear good-faith leasing guidelines. Commercial property owners affected by these amendments were mailed notice of two online public meetings held by the City for the purpose of collecting property owner and landlord feedback on the amendments, but neither meeting had any attendees, and no written comments were provided.

Following public outreach efforts in May 2024, the Planning Commission continued to discuss the proposed amendments through multiple meetings until September 16, 2024, in pursuit of their vision of a set of amendments that would support the vitality of Snoqualmie's walkable retail districts. As a result of these discussions, the Planning Commission adjusted the recommendation to 1) reflect a 90% retail use occupancy requirement, 2) remove the retail waiver process altogether, and 3) expand the area to which these amendments would apply to all storefronts facing Center Boulevard SE in Snoqualmie Ridge and to all downtown parcels within the BR-1 and BR-2 zone.

The Planning Commission held a public hearing on October 21, 2024 for the proposed amendments and received substantial public comment from attendees of the hearing. One of the primary points of concern among public commenters was the expansion of the Retail Use Overlay to encompass properties in the BR-2 zone. As a result, the Planning Commission continued the hearing to a later date to review public comments received and adjust proposed amendments as necessary, and staff developed a comment response matrix addressing concerns raised during public comment (Attachment 3). The Public Hearing was reopened on December 2, 2024, with the amendments revised to reduce the scope of the expansion of the Retail Use Overlay to affect only parcels within the BR-1 zone and select parcels along Falls Avenue, as deemed appropriate by the Planning Commission (see Attachment 1 in this memo). Additionally, all

storefronts facing Center Boulevard SE would be included in the amendments. Hearing no significant public comment regarding this amendment concept, the Planning Commission unanimously moved to recommend the text amendments and map revisions to the City Council at their January 21, 2025 meeting.

The Community Development Committee discussed the proposed geographic extent of the amendments at their April 8, 2025, April 21, 2025, and May 5, 2025 meetings, and agreed to move forward with the boundaries originally recommended by the Planning Commission.

ANALYSIS:

Both the existing retail occupancy requirement of 75% and the time allowance of 120 days apply to the ground floor of buildings facing Railroad Avenue only in the Retail Use Overlay. Because the Snoqualmie Ridge 1 Development Standards reference the Municipal Code, the retail use requirements only apply to storefront tenant spaces facing specific intersections, including Center Boulevard SE and SE Ridge Street, SE Mayrand Lane, and SE Kinsey Street. Table 1 below further illustrates how these requirements currently apply to Snoqualmie’s two primary walkable retail districts:

Table 1: Existing Retail Use Requirements		
	Snoqualmie Ridge I Neighborhood Center, corner tenant spaces facing select intersections	Retail Use Overlay, downtown along Railroad Avenue
Ground Floor Minimum Retail Use Ratio	100%	75%
Minimum time allowance to demonstrate good-faith effort to find retail tenant	120 days	120 days

Under the proposed amendments, 90% of the storefronts within the Retail Use Overlay and within Snoqualmie Ridge facing Center Boulevard SE must be “bona-fide” retail uses that support the vitality of the walkable retail district, and the retail use waiver process is removed. Currently, the ratio of retail to non-retail uses within the existing Retail Use Overlay is approximately 75% retail to 25% non-retail uses. If adopted, because there is no waiver process, no new non-retail uses may utilize a ground-floor storefront until compliance with the 90% retail use ratio is achieved within the Retail Use Overlay and for storefronts facing Center Boulevard SE.¹ See Table 2 (below in this memo) Proposed Retail Use Requirements, summarizes these changes.

¹ This change will only take effect in Snoqualmie Ridge if a subsequent Resolution is adopted by the City Council modifying the Snoqualmie Ridge 1 Mixed Use Final Plan.

Table 2: Proposed Retail Use Requirements		
	Snoqualmie Ridge I Neighborhood Center; corner all storefronts facing select intersections <u>Center Boulevard SE</u>	<u>Parcels located in the BR- 1 or along select parcels on Falls Ave in Downtown Snoqualmie</u> (see Attachment 1) ²
Ground Floor Minimum Retail Use Ratio	<u>90%</u>	<u>90%</u> ²
Minimum time allowance to demonstrate good-faith effort to find retail tenant	<u>N/A, No Retail Waivers</u>	<u>N/A, No Retail Waivers</u> ²

Under the current Snoqualmie Municipal Code, the Community Development Director is obligated to approve a waiver from the retail use requirement if specific findings (that the storefront was advertised at a fair market value for a period of 120 days) are met. Disapproving of the ministerial nature of this process, the Planning Commission suggested a procedure in which all retail use waivers would be decided by the Community Development Department with that decision appealable to the City Council. The City Attorney identified a personal liability risk to individual City Council members that would result if they were the decisionmakers for retail waivers and continues to advise that this risk exceeds the acceptable level of risk tolerance for City of Snoqualmie officials. As a result, the Planning Commission recommended removal of the waiver process altogether.

Other minor changes are proposed; within the Snoqualmie Ridge Neighborhood Center, the development standards are proposed to be modified to require that at least 50% of ground-floor windows along Center Boulevard SE remain uncovered by signs or other window coverings during normal business hours, ensuring visibility into the tenant space and enhancing the pedestrian experience. Within the Snoqualmie Municipal Code, minor code changes are proposed for the sake of internal consistency and general code cleanup.

Importantly, because the Snoqualmie Ridge Mixed Use Final Plan is vested to the version of the Snoqualmie Municipal Code that was in effect in 2007 when the plan was adopted, the proposed changes will not apply to Snoqualmie Ridge unless the Mixed Use Final Plan is also modified after the Retail Use Overlay amendments are adopted. If the current amendments are enacted via Ordinance, a future Resolution will be brought before Council to amend the Snoqualmie Ridge Mixed Use Final Plan and Development Standards applying these changes upon the Ridge.

SUMMARY OF AMENDMENTS:

² Will only take effect in Snoqualmie Ridge if a subsequent Resolution is adopted by the City Council modifying the Snoqualmie Ridge 1 Mixed Use Final Plan.

- Expand the extent of the Retail Use Overlay to include all parcels zoned BR-1 and select parcels along Falls Avenue in Downtown Snoqualmie as depicted on the map (see Attachment 1 in this memo) and depict this change on the official zoning map. The minimum threshold for ground floor retail uses will apply to these parcels.
- Remove parcels that are currently zoned OS-2 from the Retail Use Overlay, as they are part of the Snoqualmie River Trail project.
- Increase the minimum ground-floor retail use requirement from 75% to 90%.
- Remove the retail use waiver process from the SMC altogether.
- Other changes that implement similar requirements in the Snoqualmie Ridge Neighborhood Center will be brought to Council with a Resolution to amend the Mixed Use Final Plan upon adoption of the SMC code amendments.

STAFF RECOMMENDATION:

- Staff recommends renaming Chapter 17.37 from “Downtown Historic District Retail Overlay Zone” to “Retail Use Overlay” to minimize confusion in interpreting the Snoqualmie Municipal Code (SMC) zoning regulations. Currently, both SMC 17.37 and SMC 17.35 reference the Downtown Historic District in their titles, although they apply to geographically discrete areas. Renaming Chapter 17.37 would help clarify the distinction between the two chapters and reduce misinterpretation of this being a separate zoning designation in lieu of an overlay to the applicable underlying zone.
- Attachment 1 illustrate the expanded overlay boundaries recommended by the Planning Commission and CD Committee. Staff recommends that the City Council proceed with these boundaries, as they best align with the intent of the original proposed amendments, which is to prioritize pedestrian-oriented retail uses within the existing walkable commercial districts in Downtown and along Center Boulevard while allowing some minor flexibility for non-retail uses.
- Staff recommends adopting the proposed strikethrough and underline changes as shown in Attachments 2 to modify the Chapters 17.20 and 17.37 of the Snoqualmie Municipal Code.

NEXT STEPS:

- Review proposed amendments in advance of the second reading of the proposed amendments.

ATTACHMENTS:

1. **Downtown Overlay: Planning Commission and CD Committee Recommended Retail Use Overlay Extent**
2. **SMC Chapter 17, Strikethrough and Underline Changes**
3. **October 21, 2024 Public Hearing Comment Response Matrix**