



Community Development Department

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

STAFF MEMO

To: Community Development Committee
From: Andrew Levins, Land Use Planning Consultant
Date: May 5, 2025
Subject: SRI Retail Development Standards and 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 Downtown Retail Overlay Zone, 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 Downtown Retail Overlay Zone 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 8). The Public Hearing was reopened on December 2, 2024, with the amendments revised to reduce the scope of the expansion of the Downtown Retail Overlay Zone to affect only parcels within the BR-1 zone, and select parcels along Falls Avenue as deemed appropriate by the Planning Commission (Attachment 1).

Additionally, all storefronts facing Center Boulevard SE would be included in the amendments (Attachment 3). 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 (Attachments 1, 2).

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 Downtown Retail Overlay Zone. Because of the way 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 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	Downtown Retail Overlay Zone 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 Downtown Retail Overlay Zone and within Snoqualmie Ridge facing Center Boulevard S.E. 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 Downtown Retail Overlay Zone 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 requirement is achieved within the overlay zone and for storefronts facing Center Boulevard S.E. Table 2: Proposed Retail Use Amendments, summarizes these changes.

Table 2: Proposed Retail Use Requirements		
	Snoqualmie Ridge I Neighborhood Center, corner all storefronts facing select intersections <u>Center Boulevard SE</u> (see Attachment 3)	<u>Parcels located in the BR- 1 or along Falls Ave in Downtown Snoqualmie</u> (see attachment 3)
Ground Floor Minimum Retail Use Ratio	<u>90%</u>	<u>90%</u>
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>

Under the current 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 has identified a personal liability risk to individual City Council members that would result 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 recommends 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.

OVERLAY BOUNDARY ALTERNATIVES

The Planning Commission's January 21, 2025 recommendation would expand the Retail Overlay Zone in Downtown Snoqualmie to include a portion of parcels fronting Falls Avenue (Attachment 1) and would revise the SRI development standards to apply the proposed changes to all storefronts facing Center Boulevard SE within the Snoqualmie Ridge Neighborhood Center (Attachment 3).

At its April 21, 2025 meeting, the Community Development Committee reviewed this recommendation and discussed modifying the proposed Downtown Overlay expansion to exclude parcels currently occupied by nonconforming residential uses (Attachment 2). At this same meeting, the possibility was raised of expanding the scope of the amendments within the SRI Neighborhood Center to include commercial properties not located directly on Center Boulevard (Attachment 4), or alternatively whether to include the additional properties in Attachment 4 along with the commercial center where the Safeway is located, across Snoqualmie Parkway (Attachment 5).

SUMMARY OF AMENDMENTS:

- Expand the extents of the Downtown Historic District Retail Overlay Zone to include all parcels zoned BR-1 and select parcels along Falls Avenue in Downtown Snoqualmie as depicted on Attachment 1 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 Overlay Zone and are being incorporated into 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.
- Apply the 90% ground-floor retail use requirement to storefronts facing Center Boulevard S.E. (see Attachment 3).¹
- Require that no more than 50% of the ground-floor windows of a tenant space be covered for storefronts facing Center Boulevard S.E. in the Snoqualmie Ridge Neighborhood Center, in order to facilitate pedestrian interest.¹

STAFF RECOMMENDATION:

- Staff recommends renaming Chapter 17.37 from “Downtown Historic District Retail Overlay Zone” to “Retail Use Overlay Zone” to minimize confusion in interpreting the Snoqualmie Municipal Code (SMC). Currently, both SMC 17.37 and SMC 17.35 reference the Downtown Historic District in their titles, although they govern different geographic areas. Renaming Chapter 17.37 would help clarify the distinction between the two chapters and reduce misinterpretation. If the CD Committee adopts this recommendation, Staff will revise the SMC strikethrough/underline attachments to reflect this change.
- Attachments 1 and 3 illustrate the expanded overlay boundaries recommended by the Planning Commission. Staff recommends that the CD Committee proceed with these boundaries, as they best align with the intent of the proposed amendments, which is to promote pedestrian-oriented retail uses within the existing walkable commercial districts in Downtown and along Center Boulevard.
- Attachment 2, Reduced Planning Commission Recommendation, shows a version of the expanded Downtown overlay that excludes four parcels along Falls Avenue currently used as residences. These parcels are zoned BR-2 (“Business Retail 2”) and are currently nonconforming, as ground-floor residential uses are not permitted in the BR-2 zone. Staff does not support this alternative. The proposed overlay would not affect the ability of these parcels to remain in residential use indefinitely, subject to the non-conforming use standards in SMC 17.55.040, as they are already nonconforming. Instead, the overlay would only apply if the parcels transition to a commercial use, ensuring long-term alignment with retail-oriented goals of the proposed amendments.
- Attachments 4 and 5 depict alternative overlay boundaries that extend into the Snoqualmie Ridge neighborhood center (Attachment 4: including Dollar Tree, Starbucks, and Positive Ally Learning Center) and across Snoqualmie Parkway to encompass additional commercial uses (Attachment 5, everything in Attachment 4, plus Safeway, Safeway gas, MOD Pizza, Starbucks, Bartell Drugs, and Chase Bank). Staff does not recommend including these areas under the current

¹ This proposed change will only be enforceable if amendments to the Snoqualmie Ridge Mixed Use Final Plan Conditions are approved.

amendments. These locations are primarily auto-oriented, and applying the overlay could inadvertently restrict future uses due to the narrow definition of “retail use” in Chapter 17.37. For example, drive-through facilities do not qualify as retail under this definition and could be precluded in these areas where they may be in-fact appropriate. Determining the appropriate types of commercial uses for these areas may be better accomplished through a separate, targeted amendment process specific to this part of the SRI Neighborhood Center and SRI Business Park.

NEXT STEPS:

- Review and discuss recommendation in advance of City Council first reading.
- Determine which alternative should be adopted to define the geographic extent of the proposed amendments, or propose an alternative revised extent.
- Provide direction on whether to retain the current name of SMC Chapter 17.37 (“Downtown Historic District Retail Overlay Zone”) or rename it to “Retail Use Overlay Zone” or another preferred title.

ATTACHMENTS:

1. **Downtown Overlay: Planning Commission Recommendation**
2. **Downtown Overlay: Reduced Planning Commission Recommendation**
3. **SRI: Planning Commission Recommendation**
4. **SRI: Expanded Neighborhood Center Alternative**
5. **SRI: Expanded Neighborhood Center and Business Park Alternative**
6. **SMC Chapter 17, Strikethrough and Underline Changes**
7. **Chapter 12 Snoqualmie Ridge Development Standards, Strikethrough and Underline Changes**
8. **SRI MUFP Conditions 4 & 5, Strikethrough and Underline Changes**
9. **October 21, 2024 Public Hearing Comment Response Matrix**
10. **“Retail Use” SMC/Snoqualmie Ridge Comparison**

Attachment 1: Downtown Overlay: Planning Commission Recommendation



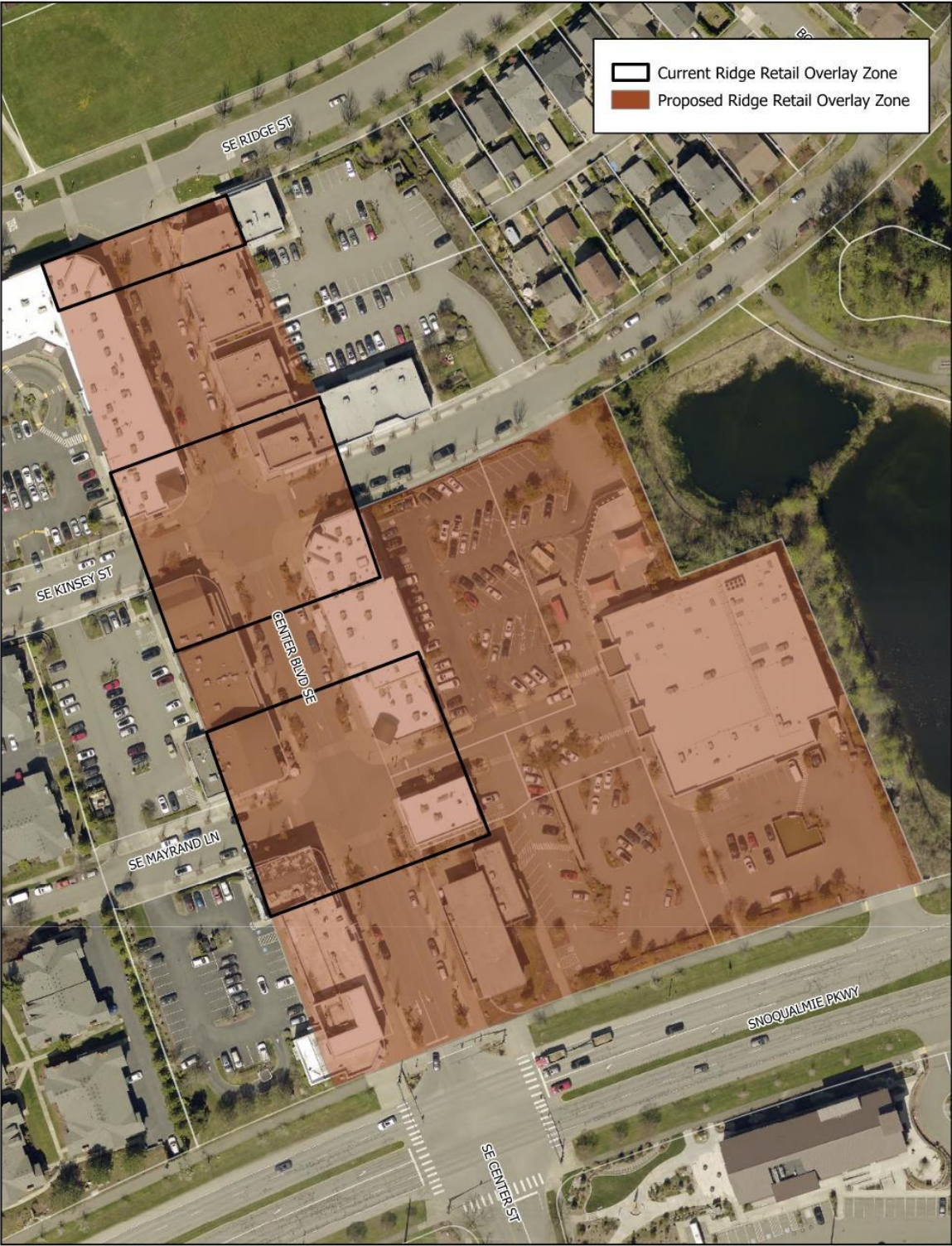
Attachment 2: Downtown Overlay: Reduced Planning Commission Recommendation



Attachment 3: SRI: Planning Commission Recommendation



Attachment 4: SRI: Expanded Neighborhood Center Alternative



Attachment 5: SRI: Expanded Neighborhood Center and Business Park Alternative

