



Community Development Department

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MEMORANDUM

To: Economic Development Commission
From: Andrew Levins, Land Use Planning Consultant
Date: May 15, 2024
Subject: SMC 17.37 Retail District Overlay Code Amendments

BACKGROUND:

In December of 2023 the Chair of the Economic Development Commission sent a letter to the Community Development Council Committee regarding recommended draft amendments to the Snoqualmie Municipal Code Chapter 17.37, Downtown Historic District Retail Overlay Zone and 17.37.040 Waiver of special use regulations. The recommendations included proposed amendments to including:

1. 100 Percent of the storefronts on Railroad Avenue S.E. occupied by retail uses; and
2. 180-day allowance on good faith efforts to lease the premises for a retail use.

Because the Economic Development Commission did not have the opportunity to make a formal recommendation. On February 5, 2023, the Council Committee remanded the draft amendments back to the commission for further discussion. The Community Development Council Committee provided general feedback to the EDC stating that 100 percent of the storefronts on Railroad Avenue S.E. is too high of a percentage requirement for retail occupation and that the EDC should consider a percentage range within 70 to 100 percentage for retail occupation. Furthermore, 180 days is too low for the time allowance on good faith efforts. Lastly, the definition of retail should be reevaluated.

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 incorporate and apply to the Municipal Code, only the time allowance applies to retail tenant spaces facing specific intersections including Center Boulevard SE and SE Ridge Street, SE Mayrand Lane, and SE Kinsey Street. All uses at these intersections are required to be a qualified retail use. Please note: any future amendment to the Municipal code regarding the 120-Day limit or the percentage of retail will not be applicable to the businesses on the Ridge without a Mixed Use Final Plan Amendment.

Public outreach was conducted on May 2 and May 8, 2024, with both the Downtown Business Association and the Ridge Merchants. Each group strongly favored increasing the retail occupancy percentage requirement in the Downtown Retail Overlay Zone along Railroad Avenue to between 90-100%. Both the

Downtown and Ridge Merchants expressed favor toward a 180-day minimum vacancy period, and suggested that some additional requirements, such as demonstrating online rental listings and site-postings, should be required as a part of demonstrating a good-faith effort to find a retail-use tenant consistent with the requirement.

One Ridge Merchant Association landlord expressed that 180-days is an appropriate amount of time, but that the requirement should not exceed 180 days. No additional input was provided from either group with regards to the definition of retail. The current definition, SMC 17.37.020 retail use, see Attachment 1 Retail Definition Crosswalk means a business primarily characterized by the sale of goods or merchandise to the local public and tourists for personal, household or business consumption, and rendering of services incidental to the sale of such goods. Staff has noted that definition could be clarified to include “a business primarily characterized by the taxable sale of goods or merchandise to the local public and tourists”.

RECOMMENDATION:

Staff is recommending proposing a minimum 180-day time allowance to demonstrate a good faith effort, a 90% minimum retail requirement for ground floor tenant spaces along Railroad Avenue in Downtown Snoqualmie. Staff is also recommending language refining the definition of “retail use” found in Snoqualmie Municipal Code 17.37.020 to further state that a use must generate retail sales tax to be considered a retail use.

NEXT STEPS:

Discuss the Staff recommendation and make a motion to move the recommendations to the Planning Commission for further processing, including draft code amendments, SEPA, public hearing and noticing.