



Memorandum

TO

ERIC PHILLIPS, AICP
COMMUNITY DEVELOPMENT DIRECTOR

FROM

ANINDITA MITRA, AICP
MARK PERSONIUS, AICP

KEVIN STENDER, AICP
CITY OF EDGEWOOD

CREÄ AFFILIATES, LLC
P. 206 . 297. 3045

DATE MARCH 10, 2010

REF *Conclusions from Phase I (Zoning and Design Standards Update)*

Consistent with implementing its Comprehensive Plan, the City of Edgewood is embarking on an ambitious endeavor to facilitate development along the Meridian Avenue Corridor (Corridor). CREÄ was selected to assist the City in assessing its zoning ordinance and design standards for the area, as an important step in rationalizing and supporting the development process. For the past several months, through conversations with the City of Edgewood's Community Development Department, data from a summary Market Analysis (Sept 2009), and feedback from a couple of workshops, CREÄ team members have a better understanding of the complexities and contradictions inherent in Edgewood's codes and area plans, and their inconsistency with today's real estate market. The CREÄ team also became aware of other issues that are impacting the development potential of the Corridor.

The first public workshop, held in September 2009, revealed property owners' concerns and issues regarding the city's development regulations and development process (see attached September 2009 meeting summary). The second public workshop, held in January 2010, brought together interested developers, development consultants and Corridor property owners. This workshop focused on potential development scenarios and evaluated challenges to implementing the *Meridian Corridor Town Center Master Plan* and vision of a compact, pedestrian-friendly mixed use Town Center for Edgewood (see attached January 2010 meeting summary).

To better respond to the feedback that the team received about the variety of concerns influencing development in Edgewood, this memo includes recommendations for not only updating the city's zoning code and development regulations; but also for addressing equally pressing issues such as



financing and infrastructure, among others. The rationale for the final recommendations is explained in the attached Background Analysis summary. This analysis offers several alternative solutions that vary in cost should the City seek alternative strategies to those listed below under the *Broad Recommendations and Next Steps* and *Recommendations for Zoning and Design Standards*.

Given Edgewood's location, access and current market dynamics, it is important to distinguish that while improving the zoning code, streamlining permitting and so on will not necessarily generate *new* development in the region, they will help level the playing field. By improving Edgewood's regional competitive edge, it could attract investments that might have chosen other locations in northern Pierce County.

Development Context

The Market Analysis as well as discussions at the public workshops suggest that the development occurring in Edgewood should be cognizant of the following context:

1. The city has experienced moderate to low residential development over the past decade (population is nearing 10,000 persons)
2. The resident population travels beyond city limits for most of their service needs (Milton, Federal Way, Puyallup, Tacoma etc). Therefore there is considerable "leakage" of local dollars
3. Recognizing this, the City has expressed in its Plans the need for a Town Center and commercial corridor that would host much of the service and daily needs of the local population. Goals in the comprehensive plan, a separate Meridian Corridor Town Center Master Plan and Design Standards were developed to guide new development anticipated in the city's core. The intent for this area has always been for a pedestrian oriented walkable community with a mix of commercial, institutional and residential uses.
4. While the design and construction of a new City Hall was completed during this time, the rest of the 300+ acres in the heart of the city zoned for commercial and mixed use development has not been developed primarily due to the lack of municipal sewer service.
5. With plans underway for widening SR 161 (Meridian Avenue), and sewer improvements under construction, there is considerable interest on the part of property owners to develop or sell their properties, thereby furthering the vision of a local Town Center.
6. Recently, poor real estate market conditions and a constrained development lending and financing environment have discouraged real estate investment, especially for



mixed-use developments. Therefore, while in normal market conditions, one would see the Town Center development as the catalyst for new investment, most likely, development will occur initially beyond the defined Town Center zone. It is most likely that the market for smaller retail and residential development will recover in the near future and may be the first *new* developments to emerge along the corridor.

7. At the same time, given that Meridian Avenue already handles significant daily traffic, as local traffic increases with new development, Edgewood will need to consider how it responds to concurrency issues, particularly those overseen by the Puget Sound Regional Council (Meridian Avenue). The most developed solution -- a parallel road and grid system to offset increased traffic flow on Meridian Avenue -- adds to the cost of development in the area, unless it is resolved through creative programs and considers alternative funding sources.
8. The area within the Corridor is large and would typically attract a variety of development. Therefore in the short term, the City may want to consider taking advantage of the revenue generated by businesses that could be considered to contribute little to the goals of the comprehensive plan or the vision embedded in the *Meridian Corridor Town Center Plan*. Generally auto-oriented, while their need for generous parking makes for a weak pedestrian environment, much of this could be addressed through creative site standards and parking programs thereby graciously accommodating these establishments along the Corridor.

While the above would not be as challenging in a strong real estate market, in a weak market, they present intimidating hurdles. Addressing the above obstacles will require creative problem solving and new perspectives to old problems and presumptions.

Broad Recommendations and Next Steps

To move forward we recommend a number of initiatives for the City to consider.

1. Given the positive response the City has received with regard to its recent efforts to reach out to local property owners and engage them in discussions, it is recommended that the City continue to explore ways to seek their involvement and input as the zoning code update and other related activities are undertaken. One technique to achieve this would be for the City to convene a Meridian Corridor Advisory Group composed of property owners to assist the Planning Commission in the identification and analysis of the “nuts and bolts” of new street connections, street-frontage design, parking strategy, new internal road alignments, financing mechanisms, phasing, etc.
2. The memo from Urban Advisors (see attached *Urban Advisors Commentary*) clearly underscores how closely economic development and urban design are tied to



transportation planning. The memo describes the conflicts created when a road designed for moderate speed in a rural setting is placed within an area being targeted for pedestrian-oriented urban development. As recent experience in the region shows, there will be a need within a few years to revamp the street cross section to match urban conditions (see images below). It is likely that this will occur before the term-life for the proposed road. As opportunities present themselves, or should the project be temporarily shelved, the City should explore opportunities to make the street design planned for Meridian Avenue even more conducive to a pedestrian-friendly environment. Though it would be desirable for the entire stretch of SR 161 to be designed as a pedestrian friendly environment, narrowing the road improvements particularly for the Town Center Zone would be a significant design improvement and provide critical support to pedestrian-oriented development activity. Phase 2 design of the Corridor from 24th Street East to 36th Street East another opportunity for designing a pedestrian friendly arterial.



Images showing the transformation of a car-oriented arterial to a pedestrian friendly walkable environment. Savannah, Georgia (Images courtesy of Urban Advantage)

3. Developers have commented on the high cost of development in Edgewood, and that in some cases Edgewood's fees are slightly higher than surrounding communities. Edgewood could examine ways to reduce development costs such as reviewing



adopted impact fees. While it appears that in most cases, development fees in Edgewood are fairly competitive with surrounding areas, any opportunity to make them more competitive, without compromising the fiscal health of the City should be explored. Other than fees, streamlining permitting can reduce development costs. Another approach would be in the form of an Overlay District where a combination of reduced Impact Fees and interim development standards or new land uses could be allowed. For instance, by keeping more of the property native, reducing parking requirements (by reducing standards, or by building shared or municipal owned lots) and perhaps, simplifying site standards, the City could encourage developers to focus instead on high quality design in the near term. A similar approach could be taken with shared facilities such as the parallel road. Currently designed for traffic volumes that the area is unlikely to experience for many years, the City could utilize a number of tools and regulations to assist in its development. (One suggestion is to introduce a Local Improvement District that would be tied to lower Impact Fees coupled with a No-Protest (Instructions given to a collecting bank not to protest a specific item in the event of non-payment or non acceptance) offer to property owners in exchange for land dedication towards a public right-of-way. This would allow the City to facilitate the construction of the roadway through a combination of LID funds, local funds, and grants that could spread the costs over a 20-year period.) The City could also consider other unique financing techniques to help reduce development costs.

4. Often times, when development is slow to pick up, cities will explore ways to make strategic public investments that will stimulate private investment. One such opportunity is with Edgewood being identified as the preferred location for one of Pierce County's Regional Libraries. If this could be located close to the City Hall area, the City could leverage the additional property it owns in the vicinity to attract a "champion" developer. This champion would set off the high quality pedestrian oriented development desired for the Town Center. Another opportunity is the public park identified for the southern end of Meridian Corridor. Development of the park in a manner that connects with surrounding properties will be a major amenity that will attract multifamily housing investors. Both of these catalyst projects will need to be pursued strategically and with the appropriate partners.

Recommendations For Updating Land Use, Zoning And Design Standards

There are a number of ways, varying in depth and breadth of revision, to simplify, clarify and condense the zoning, land use and design intent for properties along the Corridor. Below are three critical paths that are listed in the order of increasing costs. The attached background memo describes suggested alternatives for continued discussion. These options are not mutually exclusive. For instance, the City may chose to opt for Option 1 or 2 for the rest of the Corridor and at a later date, pursue Option 3 for the Town Center.



1. Minimal Code Rewrite

City Staff reviews and rationalizes the extended list of land uses listed for each zone. Using the structure of the citywide design standards, consultants prepare design standards tailored to each zone along the corridor as an overlay district for each zone. Consultant prepares street cross-sections for minor arterials and internal cross streets. As groups of property owners organize, the city works with each group to develop binding site plans for segments of the Corridor that addresses infrastructure issues creatively. (\$30K)

2. Moderate Code Rewrite

Consultant develops an Infrastructure Plan based on sustainable principles for the Corridor (parallel road, stormwater, parks, trails/bike path, minor arterials, internal streets and parking). At the same time, the City Staff reviews the list of permissible land uses for each zoning category, and the Consultant reviews the land use designations, spread, and design intent for each zoning category for values embedded in the Comprehensive Plan and the Meridian Corridor Town Center Master Plan. These are revised accordingly. Within each zone, a complete list of design standards is included in a simple graphic format. Should the City think it appropriate, the Infrastructure Plan, revised Land Use and principles extracted from the Meridian Corridor and Town Center Plans can be assembled and adopted as a Sub-Area plan within the Comprehensive Plan. An environmental analysis of the Plan will need to be conducted. (\$100K)

3. New Subarea Plan & Development Code for Town Center

The City could pursue alternative 1 or 2 for the rest of the Corridor, but for the Town Center, it develops a detailed site plan for the Town Center zone alone. This site layout is used to develop form-based codes for the area and eventually undergoes an environmental analysis through a Planned Action EIS. Thereby the Town Center Zone is development-ready. While offering the greatest amount of predictability, this option is rigorous and therefore the most expensive. (\$200-300K)

It is recommended that given the fiscal situation confronting the City, that the City not lose development opportunities while the mixed-use market picks up. Using creative site standards and incentives, the City could attract quality development and revenue in the interim, thereby setting the stage for an animated core.



Background Analysis

In the following summary of issues raised by members of the public we present tentative tools and strategies aimed at reducing development hurdles. Concerns shared by the CREÄ team members are also referenced. Each topic area is accompanied by recommendations for addressing the main concerns.

Vision

A clear vision helps inform the appropriate guidelines and standards for new development. On several occasions, property owners mentioned the lack of a clear, detailed vision and implementation requirements for the Corridor in the city's Meridian Corridor and Town Center Master Plan and development regulations. It appears that the site plans drawn in the master plan diagram did not consider auto-oriented development occurring in the city now and provides very little direction in terms of how to best accommodate these developments into the corridor. The densities and building alignments demonstrated in the drawings do not lend themselves to today's market demands nor to generating a pedestrian-friendly environment. Furthermore, since it was never formally wrapped into another planning document or adopted, it holds little legal status.

Recommendations

Alternative 1. Using a charrette process, develop a Regulating (more like an infrastructure plan) Plan of the most desirable and relevant elements of the Meridian Corridor Town Center Plan. A regulating plan typically specifies and maps the armature around which new development will occur, including elements such as a road and trail network, parks and open space, the cross-sectional characteristics of streets, and their relationship to neighboring structures. This plan could be used to develop a form-based code or a derivative thereof for the entire corridor. This plan would be formalized as the code is adopted.

Alternative 2. Consider initiating a Subarea plan for the entire corridor. This plan would include elements in a typical Regulating Plan and in addition would describe land use, urban design, stormwater design, standards for the design of public places, building form and site layout. The City could formally adopt this plan as a Subarea Plan of the Comprehensive Plan. This plan would go through environmental review.

Alternative 3. Prepare a more detailed Subarea Plan for the entire corridor or a section thereof (Town Center) that includes a detailed Site Plan. Run this Subarea Plan through a Planned Action EIS. This Subarea Plan, EIS, findings and mitigation measures are then adopted by reference into the Comprehensive Plan. New development will experience reduced permitting costs and approval time because they will not be required to conduct their own SEPA analysis unless they propose uses or standards inconsistent with the Subarea Plan.



Land Use and Zoning

The 2009 Market Analysis shows that initially the Meridian Corridor is likely to see residential and auto-oriented retail development and perhaps establishments like a grocery store or a medical center. Senior housing or higher density single family housing is also likely to occur before mixed use development catches on. In that light it appears that the areas zoned for housing and with good access is limited. The mixed use areas (particularly MUR) appear to lean towards commercial development, allowing more coverage for commercial than what is allowed for residential development in this zone. With its excellent access, this area could potentially host higher density multifamily residential (with buildings along Meridian Avenue designed to accommodate future commercial uses as the demand for additional commercial spaces increases in the future). While some forms of institutional uses could occur along this stretch, the appearance and site layout could be coordinated through clear design guidelines so that the non-residential development blends well with the surrounding residential buildings. Another issue with the stipulated land uses along the Corridor is that each zone is tied to an extended list of permissible and conditional uses. This generally makes investors wary, since the long lists offer little predictability in terms of the quality of the adjacent development they can expect, thereby potentially impacting the value of their investments. Along these lines, there are several non-conforming uses along the Corridor. The City could review its current guidelines and develop a new strategy for these properties.

CREÄ expects that the current zoning standards for the Meridian Corridor will set precedence for low-density, sparsely located development. As such they appear contrary to the goals in the Comprehensive Plan, the vision established in the Meridian Corridor/Town Center Master Plan and market realities described in the Market Analysis. Furthermore, without specific design standards for each zone, it is unlikely that the Corridor will develop into the 3-4 unique districts envisioned for the area. Given the depth of properties, it is important the City educate property owners about the importance of clustering development. This will not only reduce stormwater runoff and fees, but allow for the future subdivision or sale of undeveloped sections of the property. Clustering should be encouraged in each of the zoning categories.

The desired features need to be specified for each zone along the Corridor. Good design will be key to the economic viability and development attraction along the Corridor within the regional economic market. This would also be a great opportunity to include standards and specifications for green development.

Recommendations

Alternative 1. Revise the list of permissible and conditional uses and focus on identifying prohibited uses for each Meridian Corridor zoning category. Review the density, setbacks, parking, impervious surface requirements etc for each zone (and a new zone if created) for new standards that would contribute to a pedestrian environment and development. Fill in the gaps with clear criteria, process and expectations that would allow for Planned Unit Development (PUD) applications,



including Cottage Housing proposals, and/or a Planned Development District (PDD) which allows for master planning large sites or multiple properties at the same time.

Alternative 2. In addition to 1, the City may choose to revise the language to allow for equal amount of residential or commercial development in the MUR zone. Amend the existing (and new) zoning designations to create a more pedestrian friendly and dense environment. Include design standards that are unique to each zone in a simple chart format. Assess standards with current proposals. Support concepts with simple graphics. Include standards for green development and alternative technology, such as passive solar design principles, onsite electric generators and so on.

Alternative 3. In addition to Alternative 1, the City many choose to limit the MUR zone south of 24th Street to retain only a mixed use envelope around the 24th Street intersection. With the help of expert market analysis and development programming support (and/or seeking developer input) the City could determine how much of that area should be converted to the MR-2 or a new multifamily residential zone. Revise the zoning ordinance such that all the requirements for each zone are assembled in one location. Described in a form-based code, this would require some of the steps mentioned above such as a simplified list of prohibited uses and a Regulating Plan. These standards would be tested for typical properties within each zone. This system allows for easier integration of land uses, form, orientation to streets, and design with infrastructure and unique parking strategies such as shared driveways, shared parking or central municipal parking facilities.

Note: Revising the zoning could include Alternative 3 for the Town Center Zone and Alternative 2 for the other zones.

Infrastructure

Property owners repeatedly remarked on the lack of a compact internal street grid network (and supporting parallel road network) along Meridian Avenue that would promote pedestrian access. Furthermore, the significant number of different property owners within the Town Center zone could discourage coordinated development. The design and location of new infrastructure will be critical to supporting pedestrian-oriented development in the Meridian Corridor. While the location of the Parallel Road has been generally identified in the City Ordinance (No. 07-0279; dated 2/6/07), the rough alignment zig-zags through the area, thereby compromising the road's functionality as a minor arterial. Preserving natural waterways, parking, wetlands, building new connector roads, parks, trails and so on will require clear and simple policies and design standards that are supported by property owners so that they understand the value of planning and developing in a coordinated versus haphazard manner. At the same time, characteristics that typify a pedestrian friendly walkable area will have to be consistently applied to all street designs and trail standards. In building a unique destination, Edgewood could take the opportunity to build unique infrastructure systems (for instance, combining low impact development treatments with trail planning; or wetland preservation with park planning) that will distinguish it from other cities in the region. New infrastructure ideas, such as district heating/cooling, solar or wind generators, Plug-In



Utility Vehicles could be planned for at this early stage, so that their integration occurs seamlessly as development occurs. The City also needs to plan for and clarify the deferred maintenance costs, schedule and responsibility for each of the infrastructure items. The City should coordinate with WSDOT to ensure that more pedestrian-friendly design considerations are incorporated into the now planned 5-lane improvements to SR 161, particularly for the portion of the roadway that traverses through the heart of the Town Center (TC) zone. The planned design may be appropriate for auto-oriented commercial corridors but is not conducive to supporting pedestrian access to and within the stretch of road that bisects the planned Town Center as described in detail in the memo by Urban Advisors. In fact, it may act to discourage pedestrian-friendly development within the Town Center. Though our preference is that the narrowing occurs for most of the length of the corridor, narrowing the road improvements for only 2-3 blocks (600-800 feet) within the TC zone would be a significant design improvement and provide critical support to future pedestrian-oriented development activity in the Town Center area.

Recommendations

Alternative 1. Each zone should clearly specify the location, orientation, standards and criteria for the major infrastructure elements (roads, pedestrian plan, sidewalks, trails, landscaping, low impact development)

Alternative 2. Work with groups of adjacent property owners on an application by application basis to identify how these infrastructure systems can either be integrated into their development proposals, or the alignments defined in general terms through binding site plans.

Alternative 3. Develop a Regulating (an infrastructure plan) Plan using the most desirable and relevant elements of the Meridian Corridor /Town Center Plan. Based on what is decided in the visioning step, this plan may or may not include a Programmatic (or Planned Action) EIS process.

Permitting

It was brought up several times during the workshops that extended permitting time can add to development cost. It can also heavily impinge on staff time and review time for approval of all development applications. The permitting process in Edgewood has evolved over the years to ensure that the development that occurs in the city conforms to the vision and desires of the city's stakeholders. However, there are always opportunities to explain the permitting procedures and requirements clearly to expedite the design review and permitting process. Clearly identified standards can also reduce permit review time greatly, thereby saving staff time and not escalating development costs. Edgewood should also clearly describe credits or incentives that may be offered for certain development types. Other credits, such as expedited permitting for green development can be added as well.



Recommendations

Alternative 1. Examine the development review procedures for new opportunities to streamline the process. An enhanced review and permitting handbook (see attached Design Commission Handbook) can clarify the process for property developers. Developer and City checklists can further expedite the process.

Alternative 2. Coordinate with the Planning Commission to identify other incentives and credits that could be offered that would attract more development into the Corridor.

Attachments

1. Property Owner Workshop Summary and Recommendations (September, 2009)
2. Developer-Architect Team Workshop Meeting Notes (January 23, 2010)
3. Urban Advisors Commentary
4. 1-page Summary
5. Comparison of Town Centers
6. Design Commission Handbook



meeting notes

TO

ERIC PHILLIPS, AICP
COMMUNITY DEVELOPMENT DIRECTOR

KEVIN STENDER, AICP
CITY OF EDGEWOOD

FROM

ANINDITA MITRA, AICP
FOUNDER, CREÄ AFFILIATES, LLC
P. 206 . 297. 3045

DATE **SEPTEMBER 22, 2009**

REF *Meridian Corridor Property Owner Meeting: September 17, 2009*

The City of Edgewood Community Development Department hosted an invited group of property owners along the Meridian Avenue corridor on September 17, 2009. Approximately 25-30 property owners attended the meeting. The purpose of the meeting was to update those property owners and solicit comment from them on

- current city capital projects affecting the corridor;
- regulatory changes already in process to EMC Title 18;
- the city initiative to revise its land development regulations to be more user-friendly;
- current and forecast market conditions; and
- potential regulatory changes.

Property owner comments are summarized in the following section followed by some general thematic comments from the consultant team, CREÄ Affiliates, LLC.

Public Comments

Real Estate and Financial Market Conditions

- Real estate market conditions have deteriorated significantly. Demand for housing and retail space is diminished. Financing for new development—both



commercial and residential—is now more expensive and more difficult to obtain due to the recession and uncertainties in the financial markets.

- Property owners are eager to develop but face some timing challenges, including market conditions, availability of financing and completion of the sewer LID.
- Real estate and financial market realities now suggest that the predominant market for new homes in Edgewood is in the \$200,000-\$300,000 range. Demand for more expensive higher end homes is significantly diminished. New homes are likely to be smaller in size (less square footage).
- The forecast for residential development suggests that demand will be strongest for households aged 25-34 (young singles, couples and small families) and households over age 55 (senior households).
- Retail market is struggling due to challenges with commercial debt and financing as well as a general reluctance to spend among consumers.
- Residential market demand and values are stabilizing but “recovery” will be slow (years).

Residential Densities

- Significant support for increasing residential densities within the Town Center.
- Need higher densities to support commercial and retail development.
- Build higher density along the Meridian Corridor and the retail will follow (financial conditions allowing).
- Need for higher density smaller unit senior housing is supported by the market analysis.
- Three to four-story higher density development (mixed use and residential) should be allowed along the Corridor—will allow for new development when market conditions improve.
- Remove the density requirement to allow the market to dictate development density.

Circulation

- The proposed parallel road cuts through deep properties
- Allow the parallel road location to be relatively flexible
- The widening of Meridian Avenue and the addition of the parallel road network will allow developments to meet their concurrency requirements.



- Some property owners suggested putting parking towards the front of properties while others wanted it towards the side and rear of properties.

Public Fee Impact on Cost of Development

- Traffic impact fees are too high. Auto-oriented commercial developers go elsewhere to avoid paying traffic impact fees.
- Development fees (in general) are too high. Gives developers impression that Edgewood is not “business friendly”. Land is still expensive, so developers need lower fees as an incentive to make higher density projects more feasible.
- Concern over cost of the proposed sewer—should be equalized for all property owners.
- For some vacant property owners, cost of sewer is prohibitive if they cannot generate revenue from their land now to pay for the assessments. Could lead to defaults on payment of sewer assessments later. One suggestion was to allow “temporary” uses now (such as car sales, vehicle storage) before sewer is in place.
- Implement 10-Year tax abatement for multi-family development (like Tacoma).
- Increase city marketing efforts to attract new businesses.

City Development Regulations

- Need PUD type ordinance for larger parcels to increase market flexibility and improve financial feasibility for higher density projects.
- Increase city commitment to the Development Agreement process and allow it to be utilized more often.
- Development code revisions needed to allow for more “flexibility”. Allow for “reasonable” deviations from the design standards through a simple administrative process rather than a lengthy and expensive review and approval process.
- Make it easier to get Variances from the code requirements.
- Changes or amendments to the development regulations need to be expedited.
- Review “home occupations” section of the development regulations to support more.
- Storage units, warehouses, wholesale or showroom sales should be allowed in the commercial zone along the corridor.



- Allowed uses should not be so restrictive in the zoning code. Allow for more “flexibility” in determining allowable and appropriate commercial uses.
- Frequent turnover in city staff makes it harder to get projects reviewed and approved.
- Allow for combined (shared) or regional stormwater management facilities.
- Allow “vehicle sales” as an allowed use in commercial zone to increase retail sales tax revenue.
- Review EMC 18.90.090
 - Landscaping – require reasonable standards; delete 40 feet landscaping requirement
 - Eliminate the Tree Retention Plan requirement
 - Design Standards – require reasonable standards
 - Delete 18.80.080 till sign ordinance is revised
 - Delete lot coverage requirement
- Concern over perceived onerous sign regulations and lot coverage limitations in the current code.

Form Based Code

- Examine the use of a “form-based code” for the corridor that would emphasize the look and design of buildings and blocks rather than restricting uses.
- How would a form-based code help meet the concurrency requirements of the Growth Management Act?

Observations and Comments

- It appears that the existing development regulations are not appropriate for current development realities nor do they accommodate the vision in the Town Center Plan very well.
- The distribution and depth of properties in this area suggests that it will be challenging developing a cohesive, interconnected, pedestrian friendly Town Center, unless guided by thoughtful legislation.
- Form-based code could accommodate the need for flexible density and uses.
- Form-based codes provide another tool for influencing site design for walkability and interconnectedness.
- The request for PUDs and the like (Development Agreements) should be weighed carefully. Excessive use of these tools allows each property to develop without full consideration of its neighboring properties. This increases the risks



of negatively impacting adjacent development. These also typically have a sunset requirement which forces owners to go through the process again, if the permit expires before a development can be secured for the property.

- If the parallel road is addressed incrementally with each new development, then there are chances that the full alignment may take years to materialize or that it may not align at all as each property owner addresses the road independently. The City could address that through a planning and engineering process to determine the best alignment for parallel roads along the full length of the corridor, perhaps both north and south of the corridor. If the alignment is generally supported by the property owners, then they can either dedicate the land back to the city or designate it a public easement. The other approach would be to use a form based code that offers more prescriptive standards for internal circulation and interconnections between adjacent properties. Both strategies would create efficiencies in the use of land for public ROWs as well as lower development costs. A continuous well defined right of way will also help in the location and distribution of utilities.
- In addition to an internal circulation system, it will benefit the Town Center Development if the city was to develop a clear strategy for open space and public plazas. Similar to the road issue, this might be achieved through agreements for the public use of private open space, easements or dedication of land for public use of the open space or plaza.
- The depth of properties suggests that future zoning should support horizontal mixed use. Otherwise, property owners might then be compelled to fall back on the PUD or Development Agreement Process, which is negotiated, could take a while and is time sensitive. Horizontal mixed use also allows for the sharing of facilities between different uses such as parking and some utilities.
- It appears that in addition to development regulations, there could be some issues with the fees and costs of development. This may warrant its own investigation to improve the city's image as a "development-friendly" institution.

This meeting provided the CREA team with invaluable insights into the challenges and opportunities for developing the Town Center Vision. These issues will be considered to the best extent possible in the update of the city's zoning and other development regulations.



meeting notes

TO

ERIC PHILLIPS, AICP
COMMUNITY DEVELOPMENT DIRECTOR

FROM

ANINDITA MITRA, AICP
MARK PERSONIUS, AICP

KEVIN STENDER, AICP
CITY OF EDGEWOOD

CREÄ AFFILIATES, LLC
P. 206 . 297. 3045

DATE MARCH 9, 2010

REF *Developer-Architects Public Workshop, January 23, 2010*

The purpose of this meeting was to solicit and hear presentations from developer/architect teams on potential development concepts for the Meridian Corridor in the City of Edgewood. Audience members also include invited property owners, consultants, city officials and other interested parties. Three teams each presented their ideas about development in the corridor. This was followed by a facilitated panel discussion among the presenters along with Q & A from audience members. In total, approximately 50-60 persons attended the meeting.

The three presentation teams included:

- Azure Green Consultants
- Wenzlau Architects/The Cottage Company
- Huitt-Zollars, Inc.

Another group, Red Propeller, a development marketing firm made a brief presentation on their capabilities but did not prepare a development concept for the Corridor. A brief summary of each team's presentation is included below. Detailed copies of their presentations are included as attachments at the end of this document.

The agenda for the public workshop is included in the attachments to this summary.

Azure Green Consultants (Puyallup, WA)

This concept focused on emerging national, regional and local market opportunities favoring health care facilities and senior housing (55+ age residents). The presenters suggested that Edgewood



could encourage and stimulate growth and development of both health care and housing through *“positive changes to the land use regulations, permitting processes and impact fee schedules. These industries, if allowed to flourish in Edgewood, will result in increased needs for retail and commercial developments, professional office space and general housing, both low and high density. Even in this down economy, throughout this county, health care and senior housing and care facilities are still getting financed and constructed”*.

Health care multi-specialist medical facilities that are in demand include: walk-in urgent care, day surgery, outpatient imaging services, medical specialist offices, physical therapy services, counseling centers, and pharmacies.

Housing opportunities for age 55+ residents include: independent residences for active retirees, assisted living, skilled nursing and memory care facilities.

This group also suggested there was an opportunity for a “theatre-oriented retail center” in Edgewood and that a large “garden apartment” project could support theatre, and auto-oriented restaurant and retail tenants. But that the density in the MR2 zone would have to be increased significantly to allow that to happen.

The group presented a conceptual site plan for such a development vision (see attached) on Area 4 covering approximately 44 acres that includes significant surface parking.

The group noted in their presentation that development potential in the *“near term”* would be limited by national and regional economic conditions. They suggested, however, several factors related to the City’s infrastructure and development regulations that need to be addressed to make Edgewood “more competitive”, including:

- Widening SR 161/Meridian (already underway)
- Installation of sanitary sewers (already underway)
- Pursue funding for the parallel road network
- Allowed uses along the Corridor should be significantly expanded to reflect *“market needs and developer visions”*
- Setbacks, height restrictions and density limitations should be eliminated or modified to allow for more intense urban development. (Need 25 unit/acre density for apartments; current maximum of 16 units/acre in the Town Center zone is too low)
- The City’s impact fees should be eliminated or significantly reduced to make Edgewood *“more competitive”* with neighboring jurisdictions.
- Pursue *“streamlined permitting”* processes that create more certainty for developers and less ambiguity about design standards and other regulatory requirements.



The Cottage Company & Wenzlau Architects (Bainbridge Island/Seattle, WA)

This group develops medium density single-family detached smaller unit “cottage” housing developments on smaller undeveloped or underdeveloped parcels within existing cities/neighborhoods. Their concept focused on the market-supported factors for this type of housing, including:

- Changing demographics where a majority of households are 1-2 persons needing smaller moderately sized housing but still single-family detached in nature.
- Compatible with GMA-encouraged higher density housing choices and the need for innovative single-family land use code provisions to meet housing targets mandated by the Comprehensive Plan.
- Pedestrian-friendly housing choice located close to jobs, transit and retail.
- Utilizes distinctive architectural features for livability that includes green building and energy efficient design.

These types of developments include several housing types (cottages, row houses and courtyard housing generally in the range of 10-24 units usually clustered around a central green open space courtyard at densities of 8-12 units per acre. Individual units contain 1-3 bedrooms ranging in total size from 700-1,500 SF that are complementary to (and conflict less with) existing single-family neighborhoods and mixed-use districts than more traditional higher density developments. These types of developments are attractive to young couples without kids, single professionals, “empty nesters” and seniors. Design features include units clustered around a central common green space with covered parking typically provided adjacent to but separate from the individual units. (See attached illustrations). Fee simple ownership the same as traditional single-family detached developments.

The medium density nature of these types of development makes them an excellent transition land use between higher intensity commercial (such as fronting along the Meridian Corridor) and traditional single-family housing neighborhoods several blocks off the Corridor. Buyers of these types of units desire a walkable location to close by neighborhood type retail activities such as coffee shops, bakeries, book stores, brew pubs and restaurants.

These types of development require particular and prescriptive regulatory approaches including: restrictions to height, bulk and scale to ensure physical compatibility with other single family homes; strict size limits so that homes cannot be expanded through remodels (so as to ensure bulk compatibility with remaining homes); design review is important to ensure strong aesthetic appeal in the development design; and these developments require public sewer and water to achieve density targets.



Studies have indicated that these developments actually increase property values of surrounding single-family homes. Due to their innovative nature, significant “pre-sales” of cottage units are typically required to obtain development financing. So it’s important to have in place a predictable cottage subdivision approval process.

The team concluded that the current maximum density of 16 units/acre in the Town Center Overlay zone fits well with this type of development but that current Edgewood development code amendments would be necessary to specify where each housing type is allowed and that subdivision standards need to be more flexible to allow for this type of development (e.g., existing subdivision standards require all lots to face the street but that is contrary to good cottage subdivision design) and to create fee simple ownership opportunities.

Huitt-Zollers, Inc. (Tacoma, WA)

This group focused creating development opportunities consistent with the real estate market, green building and design goals, and compatibility with existing City zoning and development regulations along the Meridian Corridor. They developed a potential site plan and design for Area 2 (between 8th St and 13th St.) That includes an existing wetland complex. Their site plan aimed to preserve much of the existing trees and wetlands on the site and cluster higher intensity medical and professional office and residential development fronting Meridian. Their development goals included green building standards and energy efficient design features that included higher residential densities to reduce infrastructure energy costs on a per unit basis, pedestrian mixed use orientation with on-site employment and services to reduce automobile trips, and LEED building design for energy efficiency, including solar building space and hot water heating components. Green building and site design features would include: rain water use in winter to reduce storm water detention pond size; preserving the forested wetland complex on-site as an open space amenity for the development and the use of green roofs.

The group also suggested that a range of housing types and densities should be incorporated in the Town Center to reflect a broader array of housing choices for potential residents as well as being more responsive to ever-changing real estate market conditions. They included examples of building and site designs that reflect the types of development considered most “market-compatible” by the real estate market analysis, including single-family and multi-family housing types, such as attached townhouses, for retirees, young professionals at densities not exceeding the maximum 16 units/acre allowed by the current Town Center zone as well as medical, professional and high technology office employment.

This team highlighted some of the characteristics of attractive neighborhood level retail centers that could fit very well with Edgewood’s Town Center vision. Those tend to have excellent design, landscaping and building configuration on sites from 1-3 acres in size that can accommodate



grocery and drug stores with supporting neighborhood retail with total retail space ranging from 30,000-100,000 SF.

Finally this team recommended several strategies to enhance building and site design in the Town Center zone, including: discouraging parking lots along the frontage of Meridian Avenue; pedestrian connectivity in large parking lots; modest increases in density to help enhance natural environment; and development regulations that should carefully allow for adequate sidewalks, setbacks (not so large as to discourage pedestrian activity), lot coverage, building heights, landscaping and signage. The team also noted that the City's current development regulations mostly focus on allowed uses and that they should focus more on the form of new buildings and the overall site design.

Panel & Audience Discussion Highlights

- City should focus on walkability and pedestrian access in development regulations and design standards for the Corridor
- Allow for a range of housing choices along the Corridor (from single-family to multi-family and detached to attached) to best accommodate the market demand
- Allow for both vertical and horizontal mixed uses but understand vertical mixed use depends on developers ability to find tenants for first-floor commercial (especially difficult in a time of economic recession)
- Need higher frequency cross-street grid along Meridian (with on-street parking) to improve pedestrian access to and from Meridian (i.e., blocks between streets should be smaller 200-300 ft.). However, auto-oriented commercial still needs adequate space for parking. City should look carefully at where auto-oriented commercial and pedestrian-oriented commercial should locate and zone those areas differently to allow for both types of commercial activities. Related comment noted that the current Town Center Plan does not really indicate where the "Town Center" is as far as establishing a true neighborhood gathering place. Rather it zones a long linear strip similarly. One suggestion was to identify different areas within the Corridor for different types of activities and then rezone them appropriately to achieve those goals (e.g., office employment zone along the northern portions of the corridor; services and commercial uses in the mid-section; and mixed uses along the southern extent of Meridian)
- Parallel road network needed for Area #4 (from 8th St. E. –24th St. E)
- One advantage of the deep parcels along the Corridor is that they allow plenty of room for transitional uses as buffers between the Corridor and adjacent single-family neighborhoods
- City's development regulations need to be "clear and predictable" (i.e., it doesn't matter how many rules there are...just that they need to be clear). Conversely, another



comment was to have less predictability in the regulations by not limiting building sizes in the development code but let “market flexibility guide zoning decisions”. *[Note that this succinctly highlights the clear distinction and conflict between the desire for “flexibility” and “predictability” in development regulations. More prescriptive zoning generally means greater predictability as to outcome but less responsiveness to changing market conditions.]*

- Focus on existing assets such as available land for development and 20,000 vehicles per day along the Corridor as potential (auto-oriented) commercial customers.
- The many multiple landowners along the Corridor present a development challenge for coordinated development. Look at potential for land assembly among the many different individually-owned parcels to manage those parcels for better coordinated site or master planning, financing and marketing to potential developers.
- Need a coordinated regional approach to storm water management along the Corridor (City should take the lead on this process)
- Priority next steps suggested by workshop participants:
 - Confirm the Town Center Vision—Have things changed significantly enough to alter the City’s vision for the Town Center?
 - Establish future street systems and connectivity between Meridian and adjacent neighborhoods
 - Articulate the transition land uses the City would like to see along and adjacent to the Corridor in the development regulations
 - Ensure greater “predictability” in the development regulations



Attachments

- Public Workshop Agenda
- Azure Green Development Concept
- Wenzlau Architects/The Cottage Company Development Concept
- Huitt-Zollers, Inc. Development Concept

Commentary on Developer-Architect Team Presentations

Edgewood, Washington, January 23, 2010

The following is a series of comments and thoughts relating to the presentations by developers and designers at Edgewood City Hall on January 23, 2010.

Markets and Financing

Paul Green of Azure Green presented a plan incorporating shopping, office space and residential. He stated, however, that financing for new projects is currently unavailable, in particular for speculative commercial and mixed-use projects. This was confirmed by others and agrees with information from discussions with developers in other areas of the country by Urban Advisors.

The Cottage Company presented attractive courtyard housing choices that would be appropriate in style for Edgewood, while noting that their units sold for over \$300,000 up to over \$700,000 per unit.

All of the teams emphasized that creating retail and office should be done in one concentrated place, and that the Town Center needed to be more fully defined and conceived to allow this if the city desires more retail and services.

The lack of resources and financing suggests that city investment will be needed to spur development: the expectation for developers to provide infrastructure as well as project improvements such as interior roads is not realistic in the current economy. Their perception of the current Town Center plan as being too vague to act upon seems to indicate a need for further definition on the part of the city and perhaps a more explicit location of retail and services. This could possibly be mitigated with a very short process of staff and a designer outlining some firmer options for locating character zones that would clarify the intent of the city. Markets change over time—an interim character analysis that focuses in on opportunity sites for earlier action may allow projects to take place while the national economy returns to greater stability.

Roads and Road Networks

None of the presenters believed that the current design of Meridian Boulevard would provide a pedestrian friendly environment. The Azure Green team believed that auto oriented use was appropriate for the corridor itself based upon the corridor design. There was a sense from all of the teams that residential along the corridor without buffering uses between the corridor and the housing was problematic. The Cottage

Edgewood Developer Presentations

Company emphasized that for their product, a parallel road network separate from Meridian Boulevard is necessary, and that the best place for courtyard housing is as a transition between higher intensity land uses at the corridor and lower density residential further from the corridor.

These opinions from the teams presenting are in concurrence with past work by Urban Advisors indicating that the type of street and its design speed tend to determine the scale of uses along it.

In order to develop a successful walkable environment along Meridian there are urban design factors to consider. Walkable places have a building to height ratio and a relationship to the street that differs from typical suburban standards. The figure below is from the ITE publication “Context Sensitive Solutions in Designing Major Urban Thoroughfares for Walkable Communities,” 2006, Institute of Transportation Engineers.

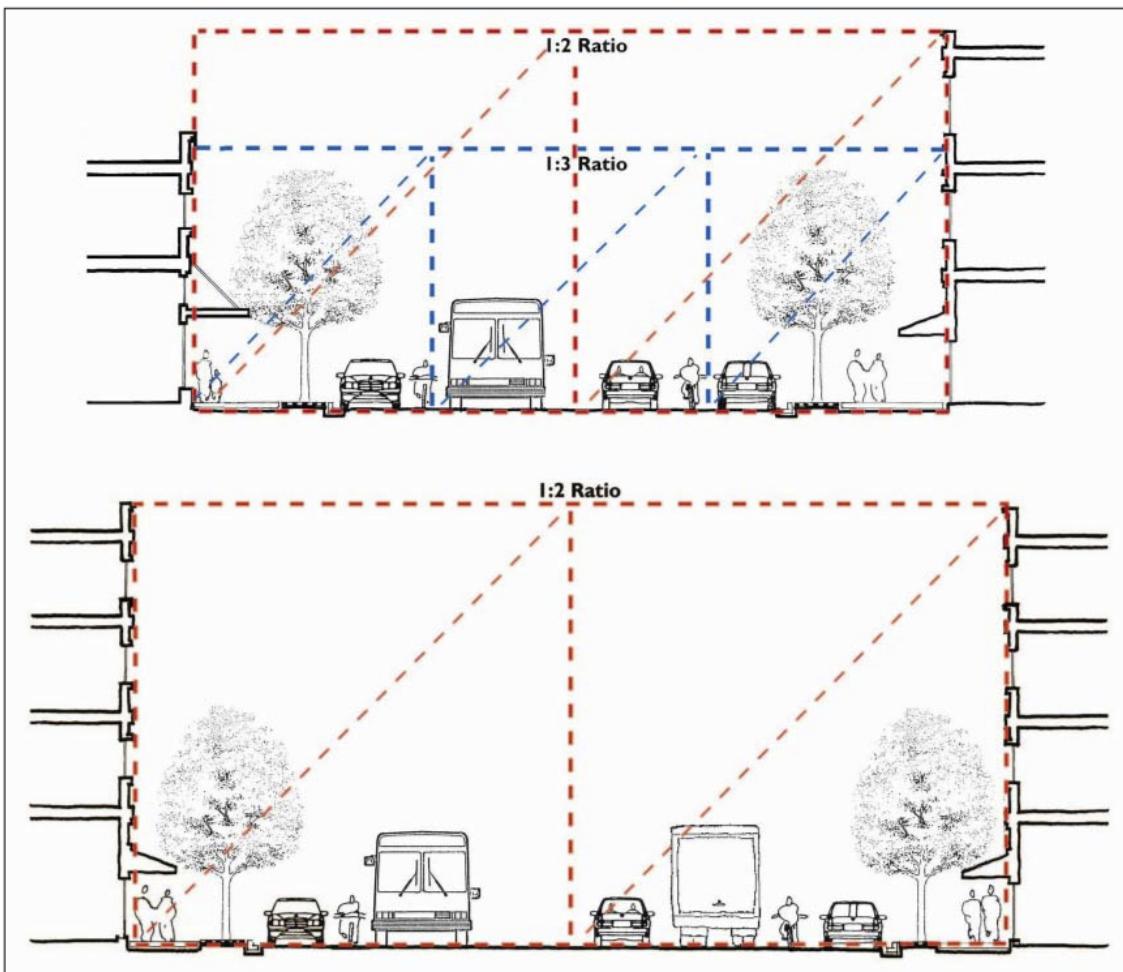


Figure 4.2 Illustration of height to width ratios that create a scale on thoroughfares that is comfortable to people and encourage walking (human scale). Human scale ratios fall between 1:3 and 1:2 as measured from the building fronts. Source: Community, Design + Architecture.

Edgewood Developer Presentations

What this figure means for the Meridian corridor is that the building height should be approximately half of the distance from building face to building face. For the planned improvements on Meridian with a minimum face-to-face distance of 100 feet, building height should be a minimum of 50 feet dictating a minimum façade of four stories to create a pedestrian environment. In the current economy and given current trends in the area, this is not a likely scenario for the short term. This may indicate that to assemble all of the parts of its proposed plan as shown in zoning the city will need a longer-term strategy about how to develop in the short term without cutting off opportunities for the longer term to make the highest and best use possible.

The Meridian Corridor

The current design of Meridian appears to be a modified rural arterial designed for moving automobile traffic through the corridor. Despite the addition of sidewalks at the request of the city, it is not designed to address more urban patterns of use and development and is not oriented to comfortable pedestrian use inasmuch as it lacks a buffer between pedestrians and high-speed traffic.¹

Retail operates on differing models of market capture depending on the street and location type. Traffic on an arterial typically moves at rates of speed around 40 miles per hour or greater. At that speed, a car is moving at 59 feet per second. A three second time to see a sign, make a decision to stop, and then turn will take the car forward by 176 feet. Businesses wishing to take advantage of this speed of pass-by traffic will thus use large signage, recognizable from a distance, and tend to have long frontages. There is also a commercial advantage in a large setback that allows a long sightline and longer time of observation to make the decision to turn.

In contrast, typical small shops in a traditional format set close to the street will have 25 to 30 foot width that, at 40 mph, will be passed in approximately half of a second. This explains anchored strip centers: smaller shops are allied with a larger anchor that acts as an attractor so that the small shops gain business from those who stop for the larger use. Such centers are usually 200 or more feet in frontage length, with prominent signage, and thus allow reasonable time for seeing and stopping.

The sort of retail and services outlined in the Town Center Plan rely on a different model of capture than do strip centers. Low speeds and on street parking allow customers to see

¹ According to a research paper (“The Conversion of Four-Lane Undivided Urban Roadways to Three-Lane Facilities” by Thomas M. Welch, Director, Office of Transportation Safety Engineering Division, Iowa Department of Transportation) presented to the Transportation Research Board, two lane to four lane conversions result in increased traffic volume, increased speeding and increased average speed, which result in a 14 percent increase in accidents, an 88 percent increase in injuries, and paradoxically, an increase in travel delays. It should be noted that traffic counts on Meridian dropped between 2007 and 2008, from 18,000 vpd to 17,000 vpd.

Edgewood Developer Presentations

small businesses and stop. The businesses must be clustered together to allow a diversity of uses and a critical mass to create a destination if they are not to rely on pass-by traffic. The difficulty for Edgewood is that this model requires surrounding residential density as a replacement for the sheer number of customers available from a high traffic corridor.

The upshot of this is that the mixed use zoned along the corridor is likely to struggle if insisted upon as the only option now. Given the existing retail located just outside the city, it is unlikely that the city would capture big-box development suitable for an arterial corridor. Since this is specifically what the city does not want, that does not represent a problem, but at the same time, the configuration of the current design will lower feasibility along Meridian for the small shops that are more likely for the size of the local market. In addition, shops located off of Meridian on a parallel street will be reduced to the local support available in a low-density environment. In my previous memorandum, the potential based purely on local capture was for a very small amount of retail and services.

The memorandum from Anindita Mitra describes a series of actions and options to deal with these issues.

Housing

The courtyard presentation showed a model for housing that is very appropriate for areas of Edgewood such as its Town Center, or as a buffer between higher intensity uses such as multifamily and existing single family on large lots. At the current time, however, the demographics of income in the area do not support this model of housing at the prices proposed (from \$300,000 and up), and the city does not possess the walkable environment or amenities to drive demand for housing at that price.

To address a different market, Edgewood will need to add the amenities that begin to make such housing and other products such as townhouses viable. These include a walkable street network, access to open space, and access to retail, services and entertainment uses. In short, what has been proposed for the town center addresses these requirements. To actually gain the development will require expenditure on planning and infrastructure other than Meridian Avenue, such as the parallel road networks discussed at the presentation. Needless to say, there are no developers in the current market who can afford to privately install these public rights of way.

Employment Uses

The Meridian corridor as designed does work for office relying on commuter employees. As noted in the earlier market overview, at the moment this use is likely to be medical and health services. It is suggested that if these are to be permitted that the designs be

Edgewood Developer Presentations

undertaken in such a manner that surface parking can later be captured for higher and better use, and that it be located off the corridor behind or aside the buildings as opposed to on the frontage. A relatively simple set of standards could be formed for this quickly by Ms. Mitra. This has been done in other cities through the use of form-based codes or street standards that mandate where buildings must have parking behind or beside rather than on the street frontage in front of the building.

Permitting and Approvals

All of the participants noted that permitting and approvals practices must offer a reasonable timeline and some sense of city partnership that will assure positive outcomes. There is a discussion of options regarding this in the memorandum by Ms. Mitra.



Summary Recommendations

1. Continue to explore ways to seek property owner involvement and input as the zoning code update and other related activities are undertaken.
2. Explore opportunities to make the street design planned for Meridian Avenue even more walkable, particularly for the Town Center Zone and Phase 2 design of the Corridor from 24th Street East to 36th Street East.
3. Examine ways to reduce development costs such as reviewing adopted impact fees; streamlining permitting; or creating an Overlay District where a combination of reduced Impact Fees and interim development standards or new land uses could be allowed.
4. Explore ways to make strategic public investments that will stimulate private investment; such as with the Pierce County Regional Library branch proposed for Edgewood or the public park identified for the southern end of Meridian Corridor.

Three critical paths are listed below for land use, zoning, design standards and infrastructure update in the order of increasing costs.

1. Minimal Code Rewrite

Simplify the list of land uses listed for each zone; prepare design standards tailored to each zone along the corridor as overlay districts; prepare street cross-sections for minor arterials and internal cross streets; work with each property owner (or coalitions) to develop binding site plans for segments of the Corridor. (\$30K)

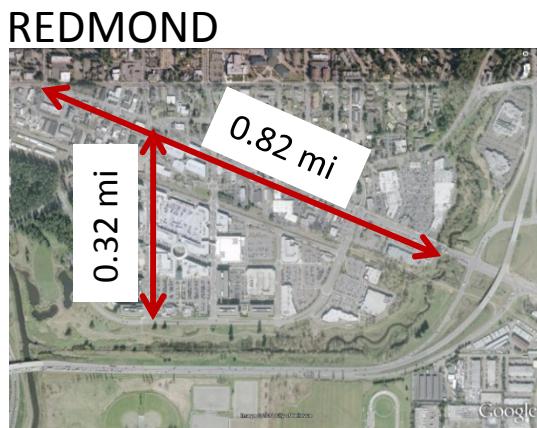
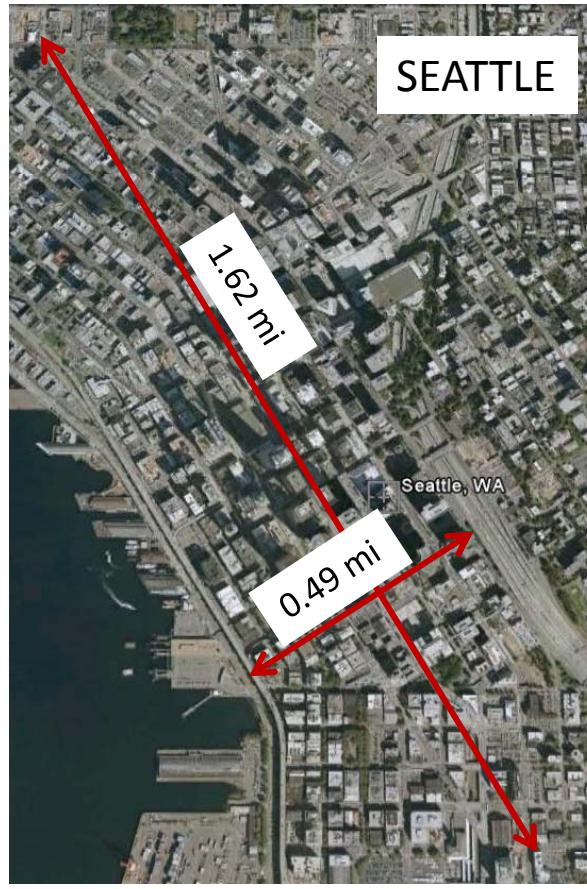
2. Moderate Code Rewrite

Develop an Infrastructure Plan based on sustainable principles for the Corridor (parallel road, stormwater, parks, trails/bike path, minor arterials, internal streets and parking); review list of permissible land uses; review and revise the land use designations, spread, and design intent for each zoning category for values embedded in the Comprehensive Plan and the Meridian Corridor Town Center Master Plan; complete list of design standards is included in a simple graphic format for each zone; assemble and adopt the above as a Sub-Area plan within the Comprehensive Plan; conduct an environmental analysis of the Plan. (\$100K)

3. New Subarea Plan & Development Code for Town Center

Pursue alternative 1 or 2 for the rest of the Corridor, but for the Town Center zone alone, develop a detailed site plan; form-based codes; and conduct an environmental analysis through a Planned Action EIS such that the Town Center Zone is development-ready. (\$200-300K)

It is recommended that given the fiscal situation confronting the City, that the City not lose development opportunities through careful development standards while the mixed-use market revives



**COMPARATIVE SIZE ANALYSIS
OF REGIONAL TOWN CENTERS**

EDGEWOOD

ZONING AND DESIGN GUIDELINES UPDATE
FEBRUARY 2010

