



City of Seattle

Gregory Nickels, Mayor
Department of Planning and Development
Diane Sugimura, Director

**CITY OF SEATTLE
ANALYSIS AND DECISION OF THE DIRECTOR OF
THE DEPARTMENT PLANNING AND DEVELOPMENT**

Application Number: 2400398, 2400399, 2400400
Clerk's File Number 307017
Applicant Name: Thomas Bartholomew for Lorig Associates, LLC
Addresses of Proposal: 427 NE 72nd Street;
420 NE 72nd Street; and
466 NE 70th Street
Seattle WA 98115

SUMMARY OF PROPOSED ACTION

Project: 2400400 (South Block)

Council Land Use Action to Rezone approximately 39,190 sq. ft. of land from C1-40' (Commercial) and NC2-40' (Neighborhood Commercial with 40-foot height limit) to NC2-65'-P1 (Neighborhood Commercial with 65-foot height limit and P-1 Pedestrian Overlay). Property is a portion of the block bounded by NE 71st to the north, 5th Avenue NE to the east; and NE 70th Street to the south. See related rezones: Projects #2400398 - 427 NE 72nd Street and #2400399 - 420 NE 72nd Street.

Project: 2400398 (Middle Block)

Council Land Use Action to Rezone approximately 67,063 sq. ft. of land from C1-40' (Commercial) to NC2-65'-P1 (Neighborhood Commercial with 65 foot height limit and P-1 Pedestrian Overlay). Property is a portion of the block bounded by NE 72nd Street to the north, 5th Avenue NE to the east; and NE 71st Street to the south. See related rezones: Projects #2400399 - 420 NE 72nd Street and #2400400 - 466 NE 70th Street.

Project: 2400399 (North Block)

Council Land Use Action to Rezone approximately 29,391 sq. ft. of land from C1-40' (Commercial) to NC3-40'-P1 (Neighborhood Commercial with 40 foot height limit and P-1 Pedestrian Overlay). Property is a portion of the block bounded by an alley to the north, 5th Avenue NE to the east, and NE 72nd Street to the south. NOTE: Modified from original notice to exclude two parcels: APN#952810-1525 and APN#952810-1465. See related rezones: Parcels #2400398 - 427 NE 72nd Street and #2400400 - 466 NE 70th Street.

The following approvals are required:

Contract Rezone: To rezone the property from C1-40' (Commercial with 40-foot height limit) and NC2-40' (Neighborhood Commercial with 40-foot height limit) to NC2-65'-P1 (Neighborhood Commercial with 65-foot height limit with P-1

Pedestrian Overlay) and NC2-40'-P1 (Neighborhood Commercial with 40-foot height limit with P-1 Pedestrian Overlay) (SMC Section 23.34.004).

SEPA - Environmental Determination (SMC Chapter 25.05).

SEPA DETERMINATION: [] Exempt [X] DNS [] MDNS [] EIS
 [] DNS with conditions
 [] DNS involving non-exempt grading, or demolition,
 or involving another agency with jurisdiction.

BACKGROUND INFORMATION



The applicant, Lorig Associates LLC, which represents the property owners, plans to redevelop the former site of the Vitamilk Dairy, located in the Green Lake neighborhood of north Seattle. Vitamilk operated a dairy processing and distribution facility on the site from the 1940s until August 2003. The applicant is planning a mixed-use development with underground parking, commercial/retail at sidewalk levels, pedestrian amenities, public- and private open space, and multi-family housing above the commercial uses. This petition and review does not include MUP level plans for the envisioned missed-use development. The MUP level of review would take place, with neighborhood design review, at a future date, after zoning and height limits are determined.

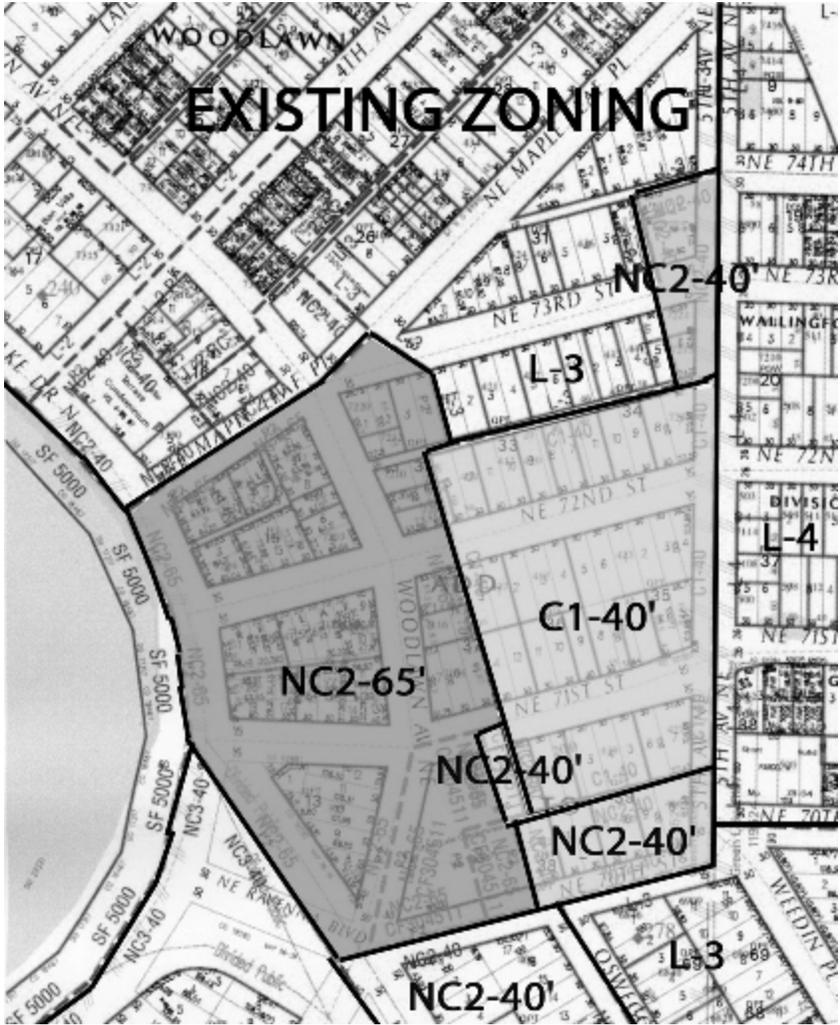
The majority of the rezone area, approximately 120,689 sq. ft. of a total of approximately 135,644 sq. ft., is currently is zoned C1-40' and the remaining 14,955 sq. ft. is currently zoned NC2-40'. The portion of the rezone area that is currently zoned NC2-40 is entirely on the South Block; all of it is proposed to be rezoned to NC2-65'. Portions of the rezone area that are currently zoned C1-40' that are on the South Block and the Middle Block are proposed to be rezoned to NC2-65'. The portion of the rezone area that is currently zoned C1-40' on the North Block is proposed to be rezoned to NC2-40'.

The applicant owns parcels along Woodlawn Ave. N.E. which are contiguous to the proposed rezone area and because they are already zoned NC2-65' are not a part of the rezone petition. A parcel along N.E. 70th St. not controlled by the applicant is included in the rezone petition with the permission of its owner. Because the applicants owns a contiguous area larger than the area of the proposed rezone and because a parcel of land in the proposed rezone is not controlled by the

applicants, the term “redevelopment area” will be used to refer to the entire area currently in the ownership of the applicants.

The portion of the rezone areas to be rezoned NC2-65’-P1 would diminish the allowed intensity of permitted uses, because this area is currently zoned C1-40. The height limit would increase in this area, however, from 40’ to 65’. The increase in the height limit is requested in order to increase the economic viability of the mixed-use project not designed as a part of this proposed action, but offered to be developed as a contract rezone condition.

The remaining portion of the rezone area would change from C1-40 to NC2-40-P1. The height limit would remain the same but the permitted uses would change. It is anticipated that the applicant may in the future seek a project-specific contract rezone to increase the height limit in this area to 65’.



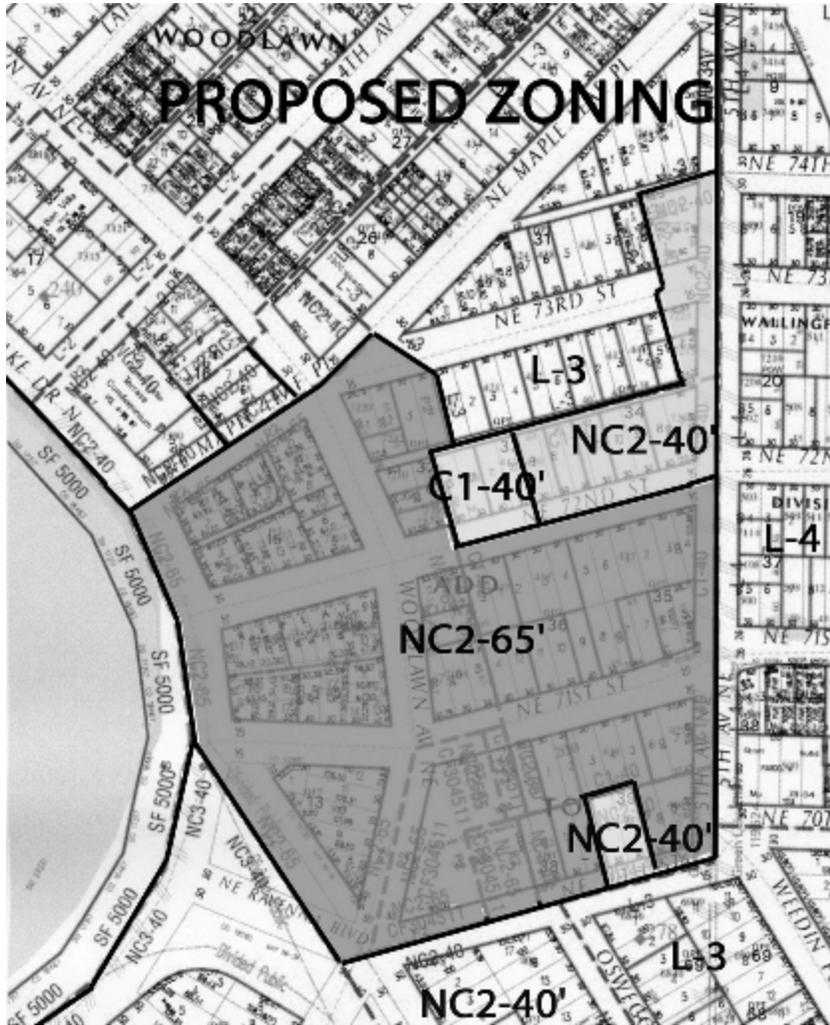
The entire rezone area would be subject to the conditions described below and specified in a Property Use and Development Agreement (PUDA). The terms and conditions of the PUDA are designed to limit use options, require public amenities, and mitigate potential impacts of the redevelopment project. Any development proposal for the rezone area will be subject to a Master Use Permit and Design Review process.

The entire rezone area is within the Green Lake Residential Urban Village as designated by the Green Lake 2020 Neighborhood Plan and Seattle’s Comprehensive Plan.

Due to the size of the redevelopment site (slightly more than three acres) and the applicant’s determination that the project must be designed and developed in separate

phases, DPD and the applicants are of the opinion that it would be most effective to review *land use issues* and *design issues* separately and sequentially, rather than simultaneously. Specifically, DPD will process this contract rezone application on its own merits, without comprehensively addressing issues of building, landscape, or urban design, because those more specific, design-related issues will be fully reviewed and evaluated in the future through both the Applicant’s continued community outreach and the City’s Design Review process.

In early 2004, the Applicant started a process of community outreach by meeting with individual neighbors and property owners. In March 2004, the Applicant initiated a dialogue with the Green



Lake Community Council (GLCC). At the GLCC's September 8, 2004 meeting, the council authorized an *ad hoc* committee composed of a representative group of neighbors, adjoining property owners, and other interested members of the community to work with the Applicant, DPD, and the City of Seattle Department of Neighborhoods toward a set of recommendations pertaining to the contract rezone application. The committee met approximately twice a month from September 2004 through February 2005. It reported back to the GLCC at its regularly scheduled meetings in November and January and at a special meeting on February 9, 2005.

The committee had a collaborative relationship with the Applicant and on many issues they were in agreement;

however, at the committee's request, there were several meetings that the Applicant did not attend. The Applicant's role was advisory only, and the committee's recommendations do not represent a fully negotiated and agreed upon set of conditions.

The recommendations from the committee were arrived at mostly by consensus; however, not all findings were unanimously supported. Committee members were reminded that individuals could make their own independent comments to DPD and the Hearing Examiner. Similarly, the Applicant and/or the property owners may choose to take positions that differ from those of the committee.

Public Comment

Public notice of the rezone application was published on January 13, 2005. The required public comment period ended February 9, 2005. In addition to the written findings and recommendations of the GLCC committee, DPD received one public comment letter. The letter was from an individual who indicated concern over the proposed new height limit, and suggested that it be 40 feet instead of 65 feet. The GLCC committee endorsed the rezone, including the increase in height limit, with specific goals, concerns, and recommendations that are reflected below under

“Conditions”. All GLCC committee meetings were attended by DPD and Department of Neighborhood staff members.

ANALYSIS, DECISIONS, RECOMMENDATIONS, AND CONDITIONS

I. REZONE-ANALYSIS AND RECOMMENDATION OF THE DIRECTOR

Seattle Municipal Code section 23.34.007 and the following sections establish criteria by which rezone applications are evaluated. These criteria are to be weighed and balanced together to determine which zone and/or height designation are most appropriate and best meet those provisions for a proposed rezone. Zone function statements shall be used to assess the likelihood that the area proposed to be rezoned would function as intended. No single criterion or group of criteria are to be applied as absolute requirements or tests of appropriateness of a zone designation, nor is there a hierarchy or priority of rezone considerations, unless a provision indicates the intent to constitute a requirement or sole criterion.

A. Residential Urban Village Policies

The general rezone criteria (SMC 23.34.008) states that for parcels in urban centers and urban villages “...the zoned capacity for the center or village taken as a whole shall be no less than one hundred twenty-five percent (125%) of the growth targets adopted in the Comprehensive Plan for that center or village.” The latest available progress report on Growth under Seattle’s Comprehensive Plan, March 2003, indicates the Green Lake Residential Urban Village has added 93 residential units and this is 23% of the twenty year growth target (1995-2005).

The proposed re-designation of the rezone area from C1 to NC2 would have no effect upon residential capacity as the same mixed-use development standards apply to both zones. The proposed increase in the height limit on portions of the area, however, would potentially add two stories of residential development to approximately 78.3% of the rezone area, or approximately 101,768, sq. ft. In NC zones, residential development above the first floor is limited to 64% of the parcel size—in this case, 65,131 sq. ft. Since the Applicant has not initiated specific design work, the precise number of additional units that might be permitted by the height increase cannot be ascertained. However, if we estimate an average unit size of 850 sq. ft. and deduct 15% for common areas such as hallways, lobbies, etc., which is conventional, the rezone would allow development of approximately 65 residential units more than would be allowed under current zoning. There is no indication or reason to expect that approval of this contract rezone would cause the zoned capacity of the Green Lake Residential Urban Village, as established in Seattle’s Comprehensive Plan, to be exceeded because there is ample capacity within the Green Lake Residential Urban Village area to meet the 20 year goal of 17 households per acre.

B. Match Between Locational Criteria and Area Characteristics

“The most appropriate zone designation shall be that for which the provisions for designation of the zone type and the locational criteria for the specific zone match the characteristics of the area to be rezoned better than any other zone designation.” (SMC 23.34.008.B)

The rezone area meets the following Locational Criteria (SMC 23.34.076), which state “a Neighborhood Commercial 2 zone designation is most appropriate in areas generally characterized by the following Locational Criteria: (i) a medium sized node generally surrounded by low- to medium-density residential areas; (ii) small commercial area located at the edge of a larger business area, which provides a transition between intense commercial activity

and surrounding areas; or (iii) a area in the core of an established commercial district characterized by a concentration of small retail and service uses. The proposed rezone area is part of a medium sized node and a small commercial area located at the edge of a larger business area, which provides a transition between intense commercial activity and surrounding areas.

The rezone area also meets the code's criteria for physical conditions favoring designation as NC2, including (i) surrounded by low- to medium-density residential areas; (ii) lack of strong edges to buffer the residential areas; (iii) lack of vacant land or land appropriate for additional commercial development within the commercial area; (iv) located on streets with good capacity (major traffic streets and minor arterials), but generally not on major transportation corridors; (v) limited transit service (i.e., a few routes); (vi) limited off-street parking capacity; (vii) may include a parking area for a supermarket or other larger use.

The rezone area best meets the locational criteria of NC2 and reflects the expressed desires of both the community and the property owner for a more pedestrian-friendly, neighborhood-scale project, which the current C1 zone does not necessarily support.

Comparison: Function and Locational Criteria of C1 and NC2 Zones A comparison of the locational criteria of the existing NC2 and C1 zones also favors designation of the rezone area to NC2.

The function of a C1 zone, as described in SMC 23.34.082, is “an auto-oriented, primarily retail/service commercial area that serves surrounding neighborhoods and the larger community or citywide clientele. The area provides a wide range of commercial services, including retail, offices and business support services, and may also provide for residential uses at limited densities.”

The function of an NC2 zone, as described in SMC 23.34.076, is a “pedestrian oriented shopping area that provides a full range of household and personal goods and services, including convenience and specialty goods, to the surrounding neighborhoods. These areas provide locations for single purpose commercial structures, multi-story mixed use structures with commercial uses along the street front and multi-story residential structures. Desired characteristics include: variety of small to medium-sized neighborhood-serving businesses; continuous storefronts with commercial use, built to the front property line; pedestrian friendly atmosphere; shoppers can drive to the area, but walk from store to store.

The mixed-use project that has been proposed in concept by the Applicant, which would be required by the PUDA to include a pedestrian-oriented courtyard/through-block connection between 71st Street and 72nd Street and other public open spaces, would fit the function description of the NC2 zone. The surrounding area also functions much as described in the NC2 description.

The rezone area does not meet the locational or functional criteria for a C1 zone; moreover, the C1 zone would encourage uses that could be disruptive to the desired character and texture of the Green Lake Residential Urban Village.

The Seattle Comprehensive Plan states in the Residential Urban Village Policies in part the following.

“UVG28 Promote the development of residential urban villages, which function primarily as compact residential neighborhoods providing opportunities for a wide range of housing types and

a mix of activities that support the residential population. Support densities in residential urban villages that support transit use.”

“UV30 Balance objectives for accommodating growth, supporting transit use and walking, maintaining compatibility with existing development conditions, maintaining affordable housing, and responding to market preferences for certain types of housing, through the density and scale of development permitted.”

The proposed contract rezone would be consistent with these Residential Urban Village Policies. The mixed-use, high density development, extensively retail and pedestrian oriented development to be agreed as a contract provision would create a key element of the village described in these two urban village goals.

An analysis of the function and locational criteria of NC2 and C1 zones leads to the conclusion that the area in question best fits the criteria for an NC2 zone. It is better matched to the character of the surrounding area and also better supports the types of development encouraged by Seattle’s Comprehensive Plan for the Green Lake Residential Urban Village.

Function and Locational Criteria for Pedestrian-1 Overlay

The function of a P1 overlay (SMC 23.34.086) is to “preserve and encourage an intensely retail and pedestrian-oriented shopping district where non-auto modes of transportation to and within the district are strongly favored.” The desired characteristics of a P1 area include: intense pedestrian interest at street level; wide variety of retail/service activities; large number of shops and services per block, buildings built to the front property line with a minimum of auto-oriented uses; and minimal pedestrian-auto conflicts. The rezone area, as proposed to be redeveloped under this contract rezone, meets all these P1 characteristics.

The rezone area also meets five of the six physical conditions favoring designation as a P1 zone:

- It is surrounded by medium- to high-density residential areas (to the east, west, and south);
- It has excellent access for transit, bicycle, and pedestrians;
- Available on- and off-street parking, which can accommodate those who drive to the area, is limited;
- Commercial areas with sufficient depth to accommodate off-street parking away from the principal pedestrian street;
- Alleys and side streets would allow access to the project’s underground parking without unnecessary curb cuts on principal pedestrian streets; and,
- Strong existing pedestrian character substantially reduces the impact of the parking waiver on surrounding streets.

The criterion calling for application of the P-1 designation in commercial areas with sufficient depth to accommodate off-street parking away from the principal pedestrian street has limited applicability here because the site, especially with the proposed contract rezone in place, has development potential sufficient to support placing all parking underground. The market in the Green Lake Residential Urban Village also supports development with underground parking as evidenced by recent development immediately to the east.

Currently, the commercial areas of the Green Lake urban village are intensely pedestrian, characterized by many retail and restaurant uses which function in concert with the park at Green Lake itself. Woodlawn Ave. is a historic focus of this pedestrian activity. Development of the proposal site, as discussed with the Green Lake Community Council, and as viewed by this

Department, provides the opportunity to extend this pedestrian activity zone along both sides of N.E. 71st St. through the proposal site. Review of actual project proposals through authority found in design review guidelines and SEPA policy authority will help insure this expansion of the pedestrian realm comes to fruition.

It should be concluded that the proposed area to be rezoned is very consistent with the function and locational criteria for a P1 overlay and it should be designated as such. Applying the P-1 designation will ensure compatibility of any new development with the existing community.

Height Limits

Section 23.34.009 of the Seattle Municipal Code establishes criteria for height limits of proposed rezones.

The *function of the zone* is to be considered. “Height limits shall be consistent with the type and scale of development intended for each zone classification. The demand for permitted goods and services and the potential for displacement of preferred uses shall be considered.”

No change in height limit is proposed on the North Block. On the Middle and South Blocks, the Applicant proposes to increase the height limit by 25 feet, from 40 feet to 65 feet.

On all three blocks, the rezone area adjoins an existing 65-foot zone (NC2-65’), which includes the westernmost portion of the proposed redevelopment site. The existing NC2-65’ zone extends along both sides of Woodlawn Ave. N.E. (See Existing Zoning Map.) On the west side of Woodlawn Ave. N.E., across from the proposed rezone area, the 65-foot zoning includes three entire blocks.

According to the applicant, increasing the height limit makes viable the anticipated redevelopment of the site with a mix of high quality residential and commercial uses with a vital pedestrian environment, underground parking, and public open space.

The *topography of the area and its surroundings* is to be considered. “Height limits shall reinforce the natural topography of the area and its surroundings, and the likelihood of view blockage shall be considered.”

The distance from the eastern edge of Green Lake, across the rezone area to the edge of the I-5 freeway is approximately 1,100 feet. In this distance, there is an elevation gain of approximately fifty (50) feet, increasing away from the lake. East of the freeway, topography continues to rise sharply another 50 feet in a relatively short distance. In the middle block of the proposed rezone area, the topography rises 20 feet from the corner of Woodlawn Avenue and 71st Street to the diagonally opposite corner at Fifth Avenue and 72nd Street.

Under existing zoning, the area of greatest height is along Woodlawn Avenue, resulting in a depression in the potential development envelope between Woodlawn and the higher ground to the east. Existing zoning along Woodlawn Avenue, the western edge of the proposed redevelopment area, is NC2-65. The intent of the proposed rezone is to fill in a moderately sloping area behind Woodlawn with development at the same height. The long-term result would be to allow a mixed-use area of consistent height in the village area and multifamily development on the sloped terrain to the east. View blockage from residential areas on these higher elevations will be substantially unchanged due to the existing 65-foot limits along Woodlawn Avenue NE.

The proposed 25-foot height increase makes height limits in the village area more consistent with natural topography without excessively interrupting views from the higher ground to the east. The proposed rezone would result in view blockage from multifamily areas immediately east of the rezone area, e.g., across Fifth Avenue NE; however these views already are susceptible to blockage by development of existing 65-foot zones along Woodlawn Avenue NE. Parcels further east are at sufficiently higher elevations to retain existing views across the area proposed for additional height.

The *height and scale of the area* is to be considered. “The height limits established by current zoning in the area shall be given consideration. In general, permitted height limits shall be compatible with the predominant height and scale of existing development, particularly where existing development is a good measure of the area’s overall development potential.”

As indicated above, no increase in height limit is proposed for the North Block. On the Middle and South Blocks, the C1-40 zone is an anachronism that was put in place to support the former dairy. The Green Lake Residential Urban Village element of the Seattle Comprehensive Plan in policy GL-P1 states, “Support zoning designations that will encourage new development to harmonize with the existing historical building, streetscapes and pedestrian-friendly character.” Goal GL-G1 calls for “A vibrant residential urban village with pedestrian-friendly streetscapes that preserve and enhance the unique scale and character of the village.” Goal GL-G17 calls for “A neighborhood with a vital business community.”

These goals and policies for the Green Lake Residential Urban Village would be well met by the transformation of the Vita Milk Dairy site into an integral, mixed-use, pedestrian friendly element of the village. Changing the zoning designation of the property from C-1 to NC2 serves this purpose. Changing the height designation from 40’ to 65’ further incorporates the dairy site into the central area of this urban village where the 65’ height limit already is extensively present. The added height, combined with a contract provision that it will be used for residential purposes, also provides economic viability for construction of and assurance that there will be created new residential units of a density to add vitality to the pedestrian character of the village.

The recent development of the Green Lake Condominiums on Woodlawn between NE 70th and NE 71st Streets is an indication of the kind of development which is envisioned to take place under this proposed contract rezone. The proposal has the potential to bring residents into the village and business to support those persons who live, work and recreate within it.

In general, it may be concluded that the proposed change in height to extend the 65-foot envelope westward, is consistent with height and scale of much of the area and that extending it further is consistent with the neighborhood plan.

The *compatibility with surrounding area* is to be considered. “Height limits for an area shall be compatible with actual and zoned heights in surrounding areas...” and “a gradual transition in height and scale and level of activity between zones shall be provided unless major physical buffers ... are present.”

The impacts of extending the 65-foot height limit eastward to 5th Avenue NE on the Middle and South Blocks would have very little impact upon the large-scale zoning pattern in the area. The Applicant’s proposal to retain the 40-foot height limit on the North Block provides a transition zone to the L3 zone (35-foot limit) on the northern half of the North Block.

Applicable *Neighborhood plans* are to be considered. “Particular attention shall be given to height recommendations in business district plans or neighborhood plans adopted by the City Council subsequent to the adoption of the 1985 Land Use Map.”

The Green Lake 2020 Neighborhood Plan was adopted by City Council on July 6, 1999 and signed by the Mayor on July 12, 1999. In a section titled “Key Integrated Strategy #1: Create a Vibrant Green Lake Residential Urban Village”, the following “Guiding Principles” are the most germane to this recommendation:

- Maintain the pedestrian-friendly quality and unique character of the Residential Urban Village.
- Encourage a lively and thriving neighborhood business core.
- Provide safe and attractive public transportation and pedestrian links throughout Green Lake.
- Encourage a range of residential and mixed-uses development.
- Increase the housing stock in the Residential Urban Village to absorb more growth and to enable moderate income families to live in Green Lake.

The Green Lake 2020 Plan also encourages “development of a public plaza and additional open space within the Residential Urban Village,” and suggests that, “an ideal future location for a public gathering place could be some of the property now owned by Vitamilk Dairy in the heart of the Residential Urban Village.”

“The community strongly believes an impediment to achieving the long-term goals for the Residential Urban Village is the presence of the Vitamilk Dairy industrial plant located in the heart of the Residential Urban Village. The community also believes that the redevelopment of this property east of Woodlawn Avenue NE should be considered for the good of the community as a primarily residential area that could provide a population base sufficient to catalyze the realization of a ‘Main Street’ along Woodlawn Ave.”

Green Lake 2020 Neighborhood Plan (p. 17)

This neighborhood plan describes how an attempt to recommend the zoned height of parcels be 30 feet along Green Lake Way and transition up to 60-foot heights along Interstate 5 was modified during the process of drafting the plan in response to concerns of property owners and the Green Lake business community. Rather than address height limits *per se*, the plan proposes neighborhood design guidelines to encourage desirable design features, such as terracing, balconies, and setbacks, in an attempt to define desirable characteristics specific to the Green Lake Neighborhood. (The Green Lake Neighborhood Design Guidelines were adopted and became effective on August 26, 2001.)

The GLCC committee, which included several of the authors of both the Green Lake 2020 Neighborhood Plan and the Green Lake Design Guidelines, has endorsed the height limits proposed in the Applicant’s rezone in its letter of February 24, 2005.

The proposed contract rezone is to be consistent with the both the letter and spirit of the neighborhood plan and would facilitate development that the plan envisions.

C. Zoning History and Precedential Effect

The existing zoning, including height limits, has been in place since the 1985 Land Use Map was adopted. The issue of lowering height limits was addressed during the neighborhood planning process in 1999 and the decision was made to leave them as they were.

In 2000, City Council approved a contract rezone to extend the 65-foot height limit at 7000 Woodlawn Avenue NE, adjacent to the rezone area on the South Block, eastward into an existing NC2-40 zone. At what became the Green Lake Condominiums, a portion of which site, like the proposed redevelopment site, was already zoned for a 65-foot limit, and the project was constructed as a result of that contract rezone approval.

Past decisions of the City Council indicate its intent to retain the 65-foot height limit in the Residential Urban Village.

It is very likely the C1-40 zone was established in response to the existence of the former dairy a business of regional magnitude and making extensive use of large trucks and the regional transportation system so it would have a designation consistent with its function. Recent choices of height made by City Council in the immediate area indicate that the 65' foot limit is endorsed for the future.

The proposed pattern of zoning height would set an appropriate precedent for the future of the village in that it would allow use of the 65' pattern on two blocks where it already exists and where the impact of the height is limited by existing streets and it would limit the height of the portion of the former dairy site which is across an alley from L-3 zoned areas to 40' thereby preserving height compatibility.

D. Neighborhood Plan Rezone Policies

The Green Lake 2020 Neighborhood Plan, a community-based document that is reflected in the Green Lake elements Seattle's Comprehensive Plan, did not contain policies expressly adopted for the purposes of guiding future rezones, and does not provide any specific policies with regard to this rezone proposal. However, regarding the Vitamilk Dairy properties, the plan does state, "the Commercial (C1) zone will become a Transformation 'Overlay Area'. While the Land Use Code does not specifically reference 'Transformation Overlay Areas', the neighborhood plan continues, "This means that, as a long-range strategy, potential or contingent zoning designations could be adopted in the event that the Vitamilk plant is relocated in the future, to replace the current commercial (C1-40) zoning..."

The Neighborhood Planning Element for Green Lake contained in Seattle's Comprehensive Plan contains language in numerous goals and policies that support the rezone from Commercial to Neighborhood Commercial, including:

- A vibrant residential urban village with pedestrian-friendly streetscapes that preserve and enhance the unique scale and character of the village;
- A neighborhood with a safe and attractive pedestrian and bicycle network of streets, districts and corridors;
- Support zoning designations that will encourage new development to harmonize with the existing historical building, streetscapes and pedestrian-friendly character;
- Strive to create a vital and identifiable "main street" along Woodlawn Avenue;
- Encourage linkages between the lake and the commercial district through public open space, such as a public plaza;

- Encourage a lively and thriving business core;
- Strive to create safe and attractive pedestrian network linkages to Green Lake, Sound Transit and other community resources;
- Encourage commercial facades that are distinctive and that enhance neighborhood character and the overall visual quality;
- An urban village with an adequate parking supply for residents and businesses that does not detract from village character and does not create significant traffic impacts;
- Encourage the better use of existing parking and examine new and innovative parking options;
- Encourage development that is supportive of housing goals and mixed-use development;
- Support the vision of the Green Lake residential urban village and its housing goals and to accommodate growth targets;
- Strive to increase the amount of open space in the neighborhood;
- Enhance the health and quality of vehicle and pedestrian corridors by adding trees and other vegetation;
- A neighborhood with a vital business community.

E. Zoning Principles

1. “The impact of more intensive zones on less intensive zones or industrial and commercial zones are to be minimized by use of buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred.”

The proposal to change the zoning designation from C1 to NC2 is a downzone in intensity of use and will result in better compatibility with neighboring uses.

The proposed transition from 65-foot height limit on the Middle Block to a 40-foot limit on the North Block is an effective buffer to the L3 zone to the north. Similarly, to the south, the existing 40-foot height limit acts as an effective buffer.

2. Physical buffers may provide effective separations between differing uses and intensities of development. No physical buffers are present which are relevant to the analysis. The proposed uses do not pose the potential for nuisance impacts to surrounding properties. The height relationships between the subject site and surrounding properties are discussed under the height analysis above. In particular, the rise in topography provides an effective buffer from the uses that would be supported by this rezone.

3. Zone boundaries should consider physical buffers and should generally support a pattern where commercial areas face each other and away from residential areas. This objective is well met by the proposed pattern as the proposal areas face other commercial areas across streets and are within larger commercial areas for the most part. To the north an alley separates the proposed NC2-40' from an L-3 area. To the east there is L-4 zoning which is both across the fairly wide and busy Fifth Ave. N.E. and is also topographically up hill from the proposal site.

4. In general, height limits greater than forty (40) feet should be limited to urban villages. The proposal is consistent with this provision.

F. Impact Evaluation

Consideration is to be given to the possible negative and positive impacts on the area of the proposed rezone and its surroundings. An impact of the proposed contract rezone would be to allow redevelopment of a site that has long been regarded by the community as inappropriate in

this location and disruptive to the pedestrian environment. The Applicant's goal, articulated in a Vision Statement shared with and supported by the GLCC committee, is to create a project that is very high quality in terms of design, construction materials, and tenant mix, establishes a vibrant, positive, pedestrian-oriented, and locally authentic identity for the Green Lake Urban Village; and enhances the quality of life of its residents, customers, and neighbors.

The proposed through-block pedestrian open space that the applicant has offered as a provision of this contract rezone would greatly enhance the pedestrian-friendliness of the area and create a significant new open space in which the community can gather, which is a high priority expressed in the Green Lake 2020 Neighborhood Plan. The proposed redevelopment also would add to the residential base in the core area of this Residential Urban Village, an anticipated and desirable impact. The redevelopment project that would be enabled by this rezone is well within service capacities in the area for such things as utilities, street access, street capacity, and transit service. Required parking for commercial and residential uses would be sufficient as proposed within the underground parking garage.

G. Changed Circumstances

Evidence of changed circumstances shall be taken into consideration in reviewing proposed rezones, but is not required to demonstrate the appropriateness of a proposed rezone. The decision of the owners of Vitamilk Dairy to cease operations on this site constitutes a fundamental change in circumstance for the area and an opportunity to realize the vision that the community articulated in its neighborhood plan. Seattle's Comprehensive Plan has designated the rezone area as a Residential Urban Village, and the Green Lake 2020 Neighborhood Plan envisions the rezone area around Woodlawn Avenue N.E. as a retail pedestrian and residential street with pedestrian-friendly landscaping, lighting, uses and plaza amenities. These changed circumstances each have coalesced with economic and social forces to create an impetus for the proposed redevelopment project.

H. Overlay Districts

The project is not within an overlay district.

I. Critical Areas

No critical areas are mapped or apparent on the site.

RECOMMENDATION - REZONE

Analysis of the rezone criteria above leads to the conclusion that a contract rezone to expand the NC2-65-P1 zoning eastward and modify the existing C1-40 zone on the North Block to NC2-40-P1, with the contract provisions below, should be approved. This action would allow further design and, eventually, construction of a highly desirable mixed-use project that would be of great benefit to the community.

RECOMMENDED CONDITIONS AND TERM – CONTRACT REZONE

The Land Use Code states that the City Council “may approve a map amendment subject to an agreement by the legal or beneficial owner of the property to be rezoned to self-imposed restrictions upon the use and development of the property in order to ameliorate adverse impacts which could occur from unrestricted use and development permitted in the zone. All restrictions shall be directly related to the impacts which may be expected to result from the amendment.”

(SMC 23.34.004) Potential negative impacts of the proposed rezone action would not arise from a change in designation from C-1 to NC-2 but rather, from raising height limits in the area from 40 feet to 65 feet.

The following mitigating contract provisions are proposed for the project site, but not for the parcel on the South Block that is not owned by the owners of the Vitamilk Dairy properties and not presently included in the plan for redevelopment (APN#952810-1750, 4,485 sq. ft.):

Recommended PUDA Conditions

1. The changes in zone designation are established only for a redevelopment project that is substantially consistent with the terms and conditions established in the PUDA.
2. The building design and form for the proposed development will respect the transition to the abutting L4, NC2-65 and NC2-40 zoned properties. Development above the commercial base shall be residential and limited to 64% lot coverage. This requirement may be modified or waived by means of a Design Review Board departure and approval of DPD, if such is deemed appropriate and necessary to respond to the topography of the redevelopment area or as otherwise determined to be architecturally beneficial .
3. The final design for the proposed development will encourage a retail environment that is pedestrian-friendly, neighborhood-oriented, accessible, and successful. The retail types should be those that support one or two anchor tenants with the remainder encouraging smaller businesses. Businesses should have store fronts that are interesting, encourage pedestrian interaction, and create the appearance of a small retail business district rather than a mall or big box commercial development.
4. The following specific uses are prohibited:
 - Automotive retail sales and services, including
 - Gas stations
 - Sales and rental of motorized vehicles
 - Vehicle repair
 - Car washes
 - Towing services
 - Automotive parts or accessory sales
 - Marine retail sales and services, including
 - Sales and rental of large boats
 - Vessel repair
 - Marine service stations
 - Dry storage of boats
 - Sale of boat parts or accessories
 - Eating and drinking establishments with drive-through lanes
 - Overnight lodging, i.e., hotels, motels, inns
 - Mortuary services
 - Principal use parking
 - Non-household sales and service, including
 - Sales, service, and/or rental of commercial equipment and construction materials
 - Sale of heating fuel
 - Heavy commercial services
 - Construction services
 - Commercial laundries
 - Spectator sports facilities
 - Outdoor participant sports and recreation facilities

- Wholesale showrooms
 - Mini-warehouses
 - Warehouses
 - Permanent Outdoor Storage
 - Transportation Facilities, including
 - Personal transportation services
 - Passenger terminals
 - Cargo terminals
 - Transit vehicle bases
 - Recycling collection stations
 - Recycling centers
 - Salvage yards
 - Major communication utilities
 - Solid waste transfer stations
 - Power plants
 - Sewage treatment plants
 - Solid waste incineration facilities
 - Solid waste landfill
 - Light manufacturing
 - General manufacturing
 - Heavy manufacturing
 - Jails
 - Work-release centers
 - Park and Pool lots
 - Park and Ride lots
 - Mobile home parks
 - Animal husbandry
5. There shall be no more than one non-residential use larger than 15,000 sq. ft. and it shall not exceed 35,000 sq. ft., not including a mezzanine level containing accessory uses.
 6. There shall be no more than three non-residential use allowed between 10,000 and 15,000 sq. ft.
 7. There shall be no more than two non-residential uses allowed between 4,000 to 10,000 sq. ft.
 8. Remaining non-residential uses shall be 4,000 sq. ft. or less.
 9. The final design for the development will include a mid-block, through-block pedestrian access on the Middle Block that will be subject to the use and transparency requirements applicable to street frontages in an NC2 zone. On the South Block, the Applicant is directed to make a good faith effort to design a mid-block through-block pedestrian crossing, recognizing that the existing ownership pattern on the South Block may make this infeasible. The open space created by the through-block connections may be credited toward the required open space for residential development.
 10. A minimum of 11% of the rezone area on the Middle and South Blocks shall be publicly accessible open space, with an understanding that at Design Review, more space may need to be required in the context of the adjoining scale of the residential towers.
 11. Parking shall be provided on-site in an amount determined by the Director to be adequate to meet all project-generated demand. (NOTE: This is a modification of the GLCC

Committee's recommendation to impose then-current (January 2005) land use code parking requirements, and is made to allow more precision in meeting actual demand.)

12. In order to encourage the construction of the redevelopment project offered in return for this contract rezone, with its significant contributions to the Green Lake Residential Urban Village, this rezone shall expire, and the zoning shall revert to current C1-40' and NC2-40' fifteen (15) years from the effective date.

II. SEPA SUBSTANTIVE REVIEW AND CONDITIONING

ANALYSIS-SEPA

The initial disclosure of the potential impacts from this project was made in the environmental checklist submitted by the Applicant and dated November 18, 2004, and annotated by DPD. The information in the checklist, supplemental information provided by the Applicant (plans, traffic analysis), comments from members of the community, and the experience of the lead agency with review of similar projects form the basis for this analysis and decision.

The SEPA Overview Policy (SMC 25.05.665) establishes the relationship between codes, policies, and environmental review. Specific policies for specific elements of the environment, certain neighborhood plans, and other policies explicitly referenced may serve as the basis for exercising substantive SEPA authority. The Overview Policy states in part:

"...where City regulations have been adopted to address an environmental impact, it shall be presumed that such regulations are adequate to achieve sufficient mitigation (subject to some limitations)."

Under certain limitations/circumstances (SMC 25.05.665 D 1-7) mitigation can be considered. Thus, a more detailed discussion of one of the impacts from the rezone is cited below.

Traffic and Transportation

A June 2005 Traffic Report done for this proposed action by CTS Engineers and found in the project file. This report estimates the amount of additional traffic to be expected from the new residential floor area which would be allowed for in the expanded height envelopes. It does not assess any additional traffic or parking to the change of designation from C-1 to NC2 because the kinds of retail, office or other uses would be unchanged by the rezone. The study also assumed that no additional height would be mapped to the portion of the proposed rezone area north of N.E. 72nd St. This conclusion was likely made because the Green Lake Committee and the DPD Planner had both indicated that increasing height in this area, across an alley from L-3 zoning did not seem appropriate.

Using lot areas of the areas proposed to increase in height times, using a development range of 2.5 to 3 additional floors, discounting for a 64% lot coverage limitation and 15% for common areas and then dividing by 750 (average sq. footage per unit), it is predicted that between 193 and 231 additional units would result from the raised height limits. ITE based trip generation was then calculated to be between 92 and 112 trips during the P.M. Peak Hour.

Parking impacts from these additional units are expected to be minimal as sufficient parking to accommodate the residentially generated demand is to be provided in underground parking

garages below the new development. The inclusion of retail parking provides an opportunity to share parking between the commercial and residential uses as the peak demand of each tend to be at non-conflicting times.

Neither traffic nor parking impacts expected to result from the proposed rezone warrant SEPA based conditioning at this time. SEPA review of specific development projects is expected to be more detailed and might result in such conditioning.

Height Bulk & Scale

Portions of the proposed rezone area are slated for increased height limits. No specific project (*i.e.*, building) is proposed as part of this contract rezone; DPD would rely on regulatory lot on coverage limits, the design review process, and and required open space elements to effectively mitigate negative impacts of the increase in height limit. No SEPA Policy based conditioning of height, bulk and scale impacts is warranted at this time.

DECISION - SEPA

This decision was made after review by the responsible official on behalf of the lead agency of a completed environmental checklist and other information on file with the responsible department. This constitutes the Threshold Determination and form. The intent of this declaration is to satisfy the requirement of the State Environmental Policy Act (RCW 43.21.C), including the requirement to inform the public of agency decisions pursuant to SEPA.

[X] Determination of Non-Significance. This proposal has been determined to not have a significant adverse impact upon the environment. An EIS is not required under RCW 43.21C.030(2)(C).

[] Determination of Significance. This proposal has or may have a significant adverse impact upon the environment. An EIS is required under RCW 43.21C.030(2)(C).

RECOMMENDED SEPA CONDITIONS

None.

Signature: (signature on file) Date: August 11, 2005
Scott Kemp, Senior Land Use Planner
Department of Planning and Development