

PLANNING COMMISSION MEETING AGENDA



City of Lake Stevens Vision Statement

*By 2030, we are a sustainable community around the lake with a vibrant economy,
unsurpassed infrastructure and exceptional quality of life.*

July 20, 2022 - 6:00 PM

REMOTE ACCESS ONLY – VIA ZOOM

Join Zoom Meeting: <https://us02web.zoom.us/j/83534190847>

or call in at: 253-215-8782 Meeting ID: 835 3419 0847

1. **Call to Order**
2. **Roll Call**
3. **Guest Business**
4. **Action Items** Approve Minutes for 6-15-22
 - A. Approve minutes for 6-15-2022
5. **Discussion Item** 2022 Comprehensive
Plan Docket-Proposed
Map Amendment
 - A. 2022 Comprehensive Plan Docket: Land Use Map Amendments David Levitan
6. **Commissioner Report**
7. **Planning Director's Report** Housing Active Plan
Update
 - A. Housing Action Plan Update David Levitan
8. **Adjourn**

THE PUBLIC IS INVITED TO ATTEND

Special Needs: The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact Human Resources, City of Lake Stevens ADA Coordinator, (425) 622-9400, at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service, (800) 833-6384, and ask the operator to dial the City of Lake Stevens City Hall number.

PLANNING COMMISSION MEETING MINUTES



HYBRID/REMOTE AND IN PERSON AT PUBLIC WORKS BUILDING

June 15, 2022

CALL TO ORDER: 6:00 PM by Chair Welch

MEMBERS PRESENT: John Cronin, Mike Duerr, Janice Huxford, Todd Welch, Linda Hoult, Connor Davis

MEMBERS ABSENT: Todd Welch

STAFF PRESENT: Planning Manager Levitan, Clerk Jennie Fenrich

OTHERS PRESENT: Councilmember Gary Petershagen

Chair Welch called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Roll Call: Commissioner Welch was excused for his absence.

Guest business: None

Approval of Minutes: Minutes of 6-1--2022 were approved as written. Commissioner Hoult motioned and Commission Huxford (6-0-0-1).

Discussion Items: Discussion Item: 2022 Comprehensive Plan Docket – Parks, Recreation and Open Space Element

Planning Manager Levitan provided an overview of proposed amendments to the Parks, Recreation and Open Space Element being proposed as part of the 2022 Comprehensive Plan Docket. The biggest changes proposed are the addition of two new chapter goals and underlying policies, which would specifically designate parks and recreation as critical infrastructure and a vital service and would more explicitly call of the expansion of active creation facilities in the city. Additional changes include updates to park descriptions, maps, and lists of capital improvement projects. Planning Manager noted that the proposed amendments had been reviewed by the Parks Board on June 13, and that they had not requested any additional changes. Commissioners were generally in support of the proposed changes, and asked questions about several topics, including costs and funding sources for parks projects, typical amenities for neighborhood parks, ways to improve communication with city residents, and how to better address and mitigate stormwater management and flooding in city parks.

Commissioner Reports: Commissioner J. Davis gave a report on her rental of The Mill building for a personal event. She was thrilled with the experience and highly recommended its use if anyone wants to hold an event. Commissioner Huxford noted that she had watched the previous evening's City Council meeting, and informed other commissioners that the Council had opted to form a subcommittee of three councilmembers to consider changes to the Planning Commission's recommendation on proposed amendments to LSMC 14.44.064 (Short Term Rentals). Both Commissioner Duerr and C. Davis shared their disappointment in the Council's Task Force committee. They felt time is of the essence and this new committee would negate the work Planning Commission has done.

Director's Report:

In response to Commissioner comments and questions, Planning Manager Levitan provided an overview of staff's role in supporting the Council subcommittee currently working on changes to the city's short-term rental (tourist home) supplementary use regulation. He also gave an update on the city's Housing Action Plan, noting that the city would be taking advantage of summer events such as Aquafest and the Farmers Market to begin public outreach and to start gathering public input and intended to utilize the Commission as a valuable resource in the project's public outreach, including hosting a Community Meeting in Fall 2022.

Adjourn: Moved by Commissioner Hoult, seconded by Commissioner c. Davis to adjourn the meeting at 6:35 p.m. On vote the motion carried (6-0-0-1).

Jennie Fenrich, Planning Commission Clerk

PLANNING COMMISSION STAFF REPORT



Agenda Date: 7/20/2022

Subject: 2022 Comprehensive Plan Docket: Land Use Map Amendments

Contact Person/Department: David Levitan, Community Development

Budget Impact:

Legal Review: No

RECOMMENDATION(S)/ACTION REQUESTED:

No formal action is required. Staff will introduce its analysis of potential amendments to the Comprehensive Plan Land Use Map included in the 2022 Comprehensive Plan Docket. Amendments require a complete analysis against applicable criteria in the Lake Stevens Municipal Code and Comprehensive Plan followed by public hearings before the Planning Commission and City Council as part of the adoption process.

SUMMARY/BACKGROUND:

On [March 16, 2022](#), Planning Commission held a public hearing on the proposed 2022 Comprehensive Plan docket and made a recommendation to City Council to ratify the docket, which the Council did via [Resolution 2022-02](#). Planning Commission has held two previous work sessions on components of the 2022 docket, with potential changes to the Land Use Element discussed at their [May 18 meeting](#) and to the Parks Element at their [June 15 meeting](#). Staff anticipates bringing proposed updates to the Capital Facilities and Utilities and Public Services elements to the Planning Commission for discussion at their August 17 work session, before the docket is moved on to a public hearing in Fall 2022.

In addition to the text amendments under review, the 2022 docket includes two potential land use map amendments within the boundaries of the [20th St SE Corridor Subarea](#):

- M-1, a citizen-initiated map amendment for two parcels on the south side of 20th St SE between South Lake Stevens Rd and 106th Ave SE to change the land use designation from High Density Residential to Commercial, with an associated rezone from R8-12 to Commercial District (CD); and
- M-3, a city-initiated map amendment proposal to consider potential changes to land use designations (and associated rezones) within the eastern portion of the 20th St SE Corridor subarea, with a focus on accommodating the city's projected population and employment growth targets over the next 20 years.
- Proposal M-2, a site-specific request to change the land use designation of one parcel on 97th Dr SE from Commercial to High Density Residential (with an associated zone rezone to R8-12) was not added to the docket but does fall within the boundaries of M-3.

The city's analysis of the map amendments focuses on the city's projected employment and housing needs over the 20 years. The Snohomish County Council adopted 2044 growth targets in February 2022, which will align with the city's next periodic update to its Comprehensive Plan (2024-2044). When comparing the 2044 growth targets to the recently updated [Buildable Lands Report](#) (BLR), the city is projected to have adequate future capacity for residential growth (the city's recently initiated Housing Needs Analysis will provide more information on needs for specific housing types and income ranges) but faces a projected deficit of more than 1,000 jobs based on current zoned capacity, which the city will need to address as part of the 2024 periodic update.

The 2024 update will assess potential map changes citywide, including other employment areas such as Downtown Lake Stevens, the Lake Stevens Industrial Area, and Lake Stevens Center. However, the 2022 docket aims to provide a 10-year check-in on land use implementation and regulations within the 20th St SE Corridor subarea and any warranted map and text amendments.

As part of the adoption process for the subarea plan in 2012, the city prepared an Environmental Impact Statement (EIS) and adopted a Planned Action Ordinance (PAO) that shifted State Environmental Policy Act (SEPA) environmental review for specific levels of residential and commercial development (and associated traffic impacts) within the subarea to the planning process. The PAO exempted the following levels of development from project-specific SEPA threshold determinations:

- 1,000 residential units
- 500,000 sf of retail/services

- 500,000 sf of office/employment
- 3,441 PM peak hour trips

Since 2013, the city has approved PAO determinations for 15 subdivisions (totaling 575 detached single-family residences), 112 townhomes, and 195 multifamily residential units (a total of 888 residential units) within the subarea, meaning that the city has exhausted nearly 90% of the residential capacity evaluated in the PAO. During the same time, the city approved approximately 200,000 sf of retail/services (with 85% of that being the Costco project) and just 4,000 sf of office/employment (the police department expansion). Commercial and office development has been hindered by several factors:

- the south side of 20th St SE is encumbered by the Everett waterline easement, meaning much of the commercially-zoned land has additional restrictions on the placement of buildings and site improvements;
- the strength of the housing market and the rapid rise of residential property values;
- the small size of many parcels and the difficulty assembling multiple parcels in the real estate market to facilitate redevelopment; and
- Changing commercial/retail/employment market trends.

Proposal M-1

The applicant (Lake Stevens Brewing Company) recently purchased two properties (10510 and 10520 20th St SE) and requests a land use change from High Density Residential to Commercial to allow the development of a new brewery and taphouse (Attachment 1). The 1.4-acre site is located on the eastern edge of the subarea. Adjacent properties/rights-of-way include a regional stormwater facility to the west, two recent subdivisions to the south (with Glenwood Elementary just south of those), a single-family residence on a large lot to the east, and a commercial shopping center (including the police station) across 20th St SE to the north. According to the city's Critical Areas Atlas, an unclassified wetland (and associated buffers) is present on the western portion of the site and the adjacent stormwater facility, so future development would require a site-specific critical areas study.

The 2021 BLR shows the site has limited residential infill/redevelopment capacity (just one additional unit on the western parcel), likely due to the critical area constraints. Commercial development of the site would result in the loss of two existing single-family residences, which is unlikely to affect the city's future housing needs, given the projected surplus of housing capacity. While the current Comprehensive Plan and subarea plan land use map is designated High Density Residential, the nearby

intersection of S Lake Stevens Rd and 20th St SE is identified as a “Commercial Center” on subarea plan Figure 4.1 (Preferred Alternative; Attachment 2). As such, extending the commercial land use designation to this portion does not seem out of line with the subarea plan’s vision, and *staff is expressing preliminary support for the proposal.*

As noted above, the parcel immediately to the east (10610 20th St SE) is a relatively large lot (0.82 acres) that is currently developed with a single-family residence. The BLR shows limited residential capacity (two new units), and its location immediately adjacent to the subject site makes it another candidate for a map amendment to a commercial land use designation. *Staff is recommending that the city contact the property owners to gauge their interest in a commercial land use/zoning designation as part of city-initiated map amendment M-3 before moving forward with a formal recommendation and completing environmental review and public notice.* The last two properties along 20th St SE within the subarea (10620 and 10640 20th St SE) are also candidates for a commercial land use designation but may be better suited to retain their residential land use designations given they are separated from the potential commercial area by 106th Ave SE to the west and are surrounded by single-family residences to the north, east and south.

Proposal M-3

Proposal M-3 is a general assessment of existing land use designations in the eastern portion of the subarea and potential changes to help the city meets its long-term housing and employment needs. Staff has analyzed the area and is requesting Planning Commission feedback on potential amendments within the areas discussed below. Any land use map amendments proposed as part of M-3 would require public outreach to and consultation with the owners of the subject and surrounding properties.

Area A: Consider map amendment on north side of 20th at 99th from HDR to Commercial or Mixed Use

The intersection of 20th St SE and 99th Ave SE currently has a Commercial land use designation on all four corners. On the south side of 20th St SE, this Commercial designation continues to both the east and west, with areas further south on 99th Ave SE having a HDR designation. On the north side of 20th St SE, the area west transitions into two recent subdivisions (Maple Rock and Cavalera) and Holy Cross Church (all having a HDR designation), while the area to the east includes several small parcels with existing single-family residences (also with a HDR designation). The area further to the north (Area B) is discussed in more detail below.

The 2021 BLR shows that Area A, consisting of eight parcels totaling 3.5 acres as shown in Attachment 3, has minimal infill capacity of 16 residential units. The city's Critical Areas Atlas shows no critical areas on the site, which the critical areas study for the recent townhouse development immediately to the east seems to support. Figure 4.1 of the subarea plan (Preferred Alternative) shows most of the area as being a mixed-use, commercial and employment area, as well as a designated Commercial Center. The north side of 20th St SE is unencumbered by the Everett water line easement and is served by PUD water, making redevelopment and a change of use to commercial a more straightforward process.

Utilizing the BLR's approximate job yield of 15 jobs per gross buildable acre for the properties on the north side of 20th immediately to the west, a commercial land use designation for Area B might be expected to yield approximately 52 jobs, although this could vary significantly depending on the types of businesses. As such, additional analysis of commercial redevelopment potential would be warranted should the Planning Commission support such a change.

When combining these factors with the city's projected deficit of employment land over the next 20 years, staff believes that amending the land use designation in Area A from HDR to Commercial would be beneficial to meet long-term employment needs. The city may also consider changing the land use designation and zoning to Mixed Use to provide a bit more flexibility and allow a greater mix of residential development. The city has received previous interest to build townhouses or apartments in the area, which depending on the zoning designation could be built as standalone residential or would require a commercial component as part of a mixed use project.

Area B: Consider Change on East Side of 99th (north of 20th St SE) to Commercial, Mixed Use or MFR (Rezone Only)

The east side of 99th Ave SE just north of Area A has a current land use designation of High Density Residential and corresponding zoning of R8-12. Unlike the west side of the street, the majority of parcels within the 14-acre Area B (Attachment 4) are large and deep. The area to the east has a Mixed Use designation and is developed with townhomes (Farmhouses at Roxburghe) and apartments (Park on 20th), while the area to the north (up to the northern subarea boundary) is developed with recent subdivisions (Eagle Glen and The Grove). Community Transit Line 109 runs along 99th Ave SE and serves the Lake Stevens Transit Center, Mariner Park and Ride, and Ash Way Park and Ride, with further bus connections available at those three sites.

The critical areas study for the adjacent Farmhouses at Roxburghe development shows a Category II wetland that extends onto the central portion of Area B (the tree-covered area in Attachment 4), with a standard wetland buffer of 95 feet. The city's Critical

Areas Atlas shows the northern parcels are encumbered by a Type Ns stream associated with the wetland complex to the south, which would likely reduce the net buildable area to approximately six or seven acres. The 2021 BLR shows approximately 80 units of single-family residential capacity under the current R8-12 zoning, as the BLR model assumes the area would develop at about six units per gross acre despite the critical area restraints, with housing clustered outside of the critical areas and their buffers. A review of site topography also shows areas of steep slopes and grade changes in the eastern portion.

As part of the city's Housing Action Plan, its consultants are currently preparing a Housing Needs Analysis (HNA) that will assess the city's housing needs across a variety of different housing types, household sizes and income levels. A draft of the HNA should be available for review in August 2022, and city staff is proposing to review the preliminary findings and assess whether rezoning these properties to Multifamily Residential (MFR) or changing the land use designation to Mixed Use as part of the 2022 docket would help the city meet its future housing needs, or if the area might be better suited with a commercial land use designation to help the city meet its employment needs. The MFR zone is an implementing zoning district of the current HDR land use designation, so no land use map amendment would be necessary. This analysis could also be deferred until the 2024 Periodic Update.

Utilizing the same assumption (that development would be clustered on the western portion of the area, outside of the critical areas), the following levels of housing/jobs might be expected under the various options discussed above, although more detailed analysis would be needed:

- 150-200 units of multifamily residential housing under MFR or MUN zoning (impacted by design and how many parcels are accumulated and developed as one project)
- 100-200 jobs under a Commercial land use designation, dependent on the types of businesses
- A combination of the two under a traditional mixed use project

Area C: Explore Changes to 97th Dr SE (Including parcel from undocketed proposal M-2)

As part of the 2022 docket ratification process, the Planning Commission and City Council considered an application for a site-specific map amendment to change the land use designation of a single parcel on 97th Dr SE from Commercial to High Density Residential (Proposal M-2) to allow for development of a single-family residence on a vacant lot. While the proposal was not included on the docket, staff did note that it could explore potential changes in the area as part of city-initiated amendment M-3.

Area C (Attachment 5) includes 20 parcels developed with single family homes (with one vacant parcel) that were built between 1967 and 1970 and covers 5.5 acres along 97th Dr SE and S Lake Stevens Rd. When the subarea plan was adopted in 2012, the area was assigned a land use designation of Medium Density Residential. However, in 2019 the land use designation was changed to Commercial as part of [Ordinance 1073](#) (annual Comprehensive Plan docket) in order to create more employment land in the city. Since that time, the city has received one pre-application request to assess the permitted uses and development requirements for potential commercial development on one of the parcels (9705 S Lake Stevens Rd) but has not had any other commercial interest. The 2021 BLR shows the area has an employment capacity of 32 jobs.

Given how recently the City Council changed the land use designation to Commercial and the city's continued need for employment land, it may be difficult to meet the approval criteria for a map amendment in this area. However, should the city identify additional areas to accommodate its employment needs, it may make sense to reevaluate whether a commercial designation is appropriate for this established residential neighborhood. Options could include maintaining the commercial designation for lots with frontage along S Lake Stevens Rd and/or the larger parcels closest to 20th St SE, which may have more commercial development potential.

NEXT STEPS AND REQUESTED COMMISSION FEEDBACK

As it continues to evaluate potential map amendments and consider how they will influence potential text amendments to the subarea plan, staff is asking for Commission feedback on the following questions:

1. Do commissioners support citizen-initiated Map Amendment M-1? If so, should the owners of the property immediately to the east be contacted about a potential change to commercial as well?
2. What are commissioners' thoughts on other potential map amendments within the eastern portion of the subarea that are evaluated under Proposal M-3?

Based on Commission feedback, staff will start the SEPA environmental review and noticing process to the Department of Commerce, affected property owners, and members of the public. Staff also intends to brief the City Council on the potential map amendments and the remainder of the 2022 docket when they return from their summer break, before moving on to public hearings in Fall 2022.

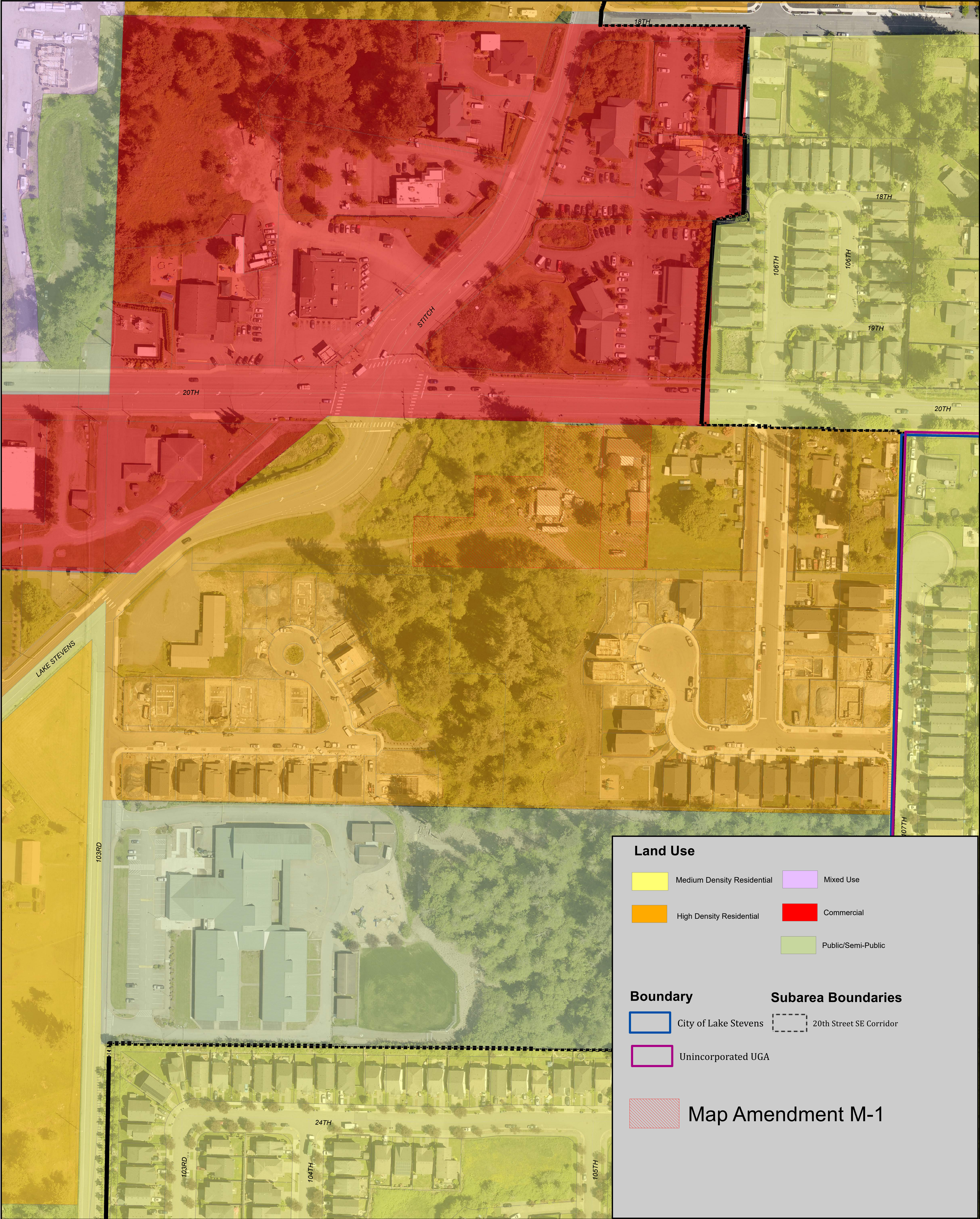
APPLICABLE CITY POLICIES:

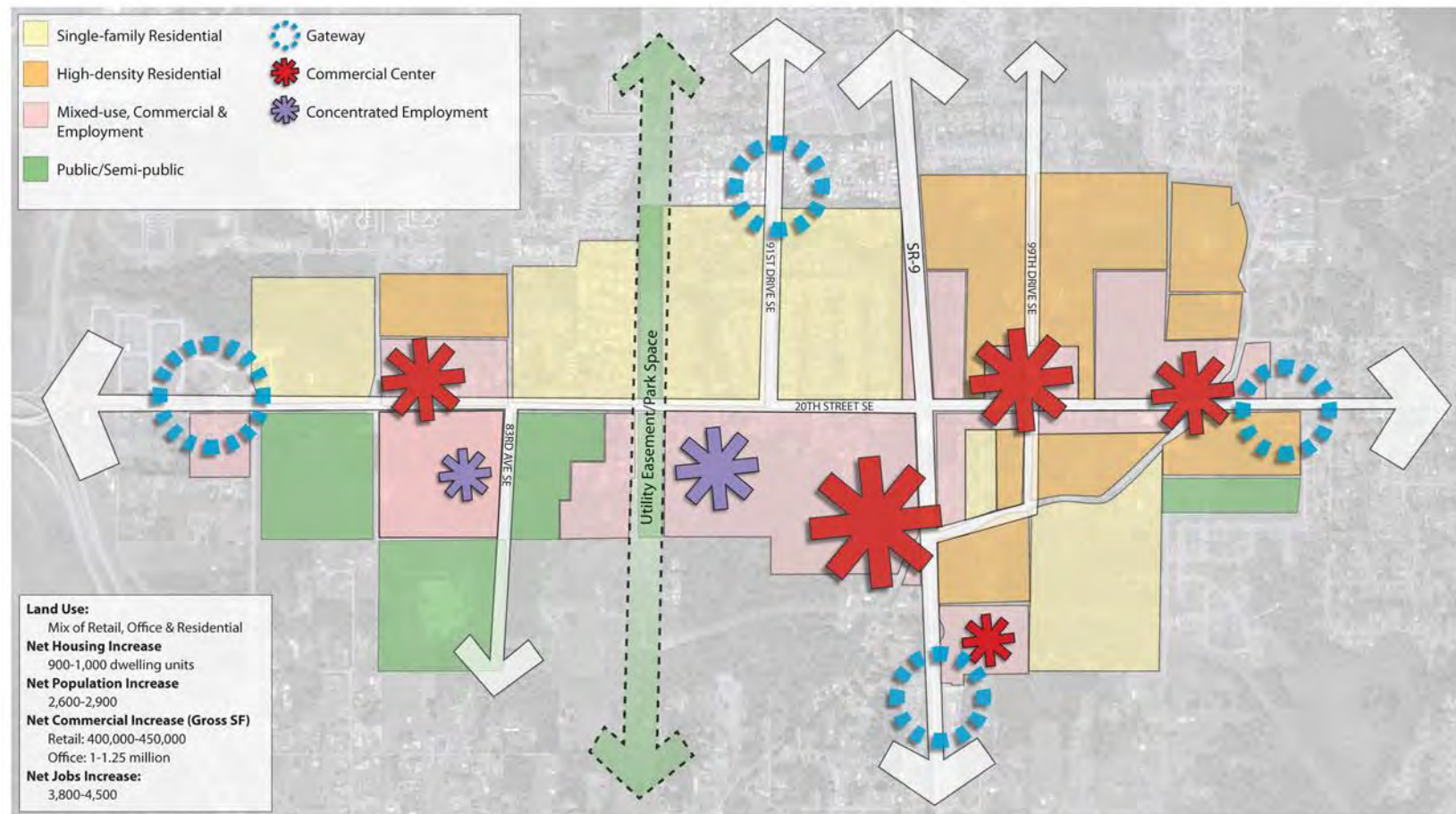
ATTACHMENTS:

1. Attachment 1 - Map M-1
2. Attachment 2 - Subarea Plan Preferred Alternative
3. Attachment 3 - Map M-3 Area A
4. Attachment 4 - Map M-3 Area B
5. Attachment 5 - Map M-3 Area C



CITY OF
LAKE STEVENS
Proposal M-1 - Change to Commercial





20th Street SE Corridor Preferred Alternative: Intensive Employment with Residential

July 2012

Map 1 Preferred Alternative



----- CITY OF -----
LAKE STEVENS
Proposal M-3, Area B - Potential Change
to MFR, Commercial or Mixed Use

