



September 27, 2023

Planning Commission
Attn: Angela Gemmer, Principal Planner
City of Marysville
501 Delta Avenue
Marysville, WA 98270

MAVIS-UNDI REDESIGNATION & REZONE

Dear Commissioners,

Our firm is assisting the Applicants for the Mavis-Undi redesignation and rezone, and we respectfully request you recommend approval of the proposed redesignation and rezone to General Commercial from R12.

This Proposal Encourages Planned Commercial Development

Commercial developers interested in the two larger General Commercial properties immediately to the north of the Applicants' parcels have expressed interest in acquiring Applicants' parcels and including them in a future commercial development. However, commercial developers have shied away from Applicants' parcels because they require a rezone.

Unfortunately, Staff has intimated they do not support Applicants' proposed redesignation and rezone, preferring that the Applicants 'wait and see' whether a larger commercial development project is proposed before then seeking an Alternative Rezone under MMC 22G.010.440, a code provision that allows sites under 10 acres to be rezoned without a concurrent comprehensive plan amendment.

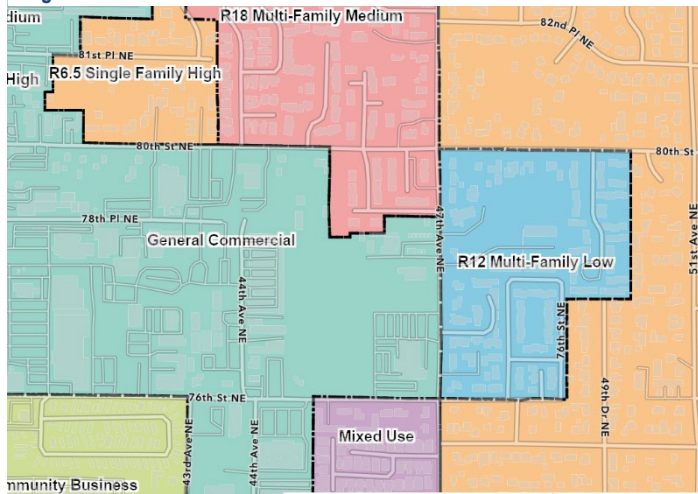
Here are reasons why this 'wait and see' strategy is problematic:

1. Should a larger commercial development want to include Applicants' parcels within a future commercial development proposal, they could use the 'Alternative Rezone' allowance in MMC 22G.010.440(2) to propose a rezone (without concurrent comprehensive plan amendment). However, based on the rules for consolidated permit review in RCW 36.70B.120 and 22G.010.020(1), this would change the project's approval process from an administrative decision to one requiring a decision by the Hearing Examiner – a change that would lengthen the entitlement process and create a greater layer of uncertainty which many commercial developers do not want.
2. Larger commercial projects rely on institutional financing and must go through underwriting. It has been our firms' experience that dependence on a rezone can change underwriting. Specifically, some underwriters are likely to view the rezone permitted by MMC 22G.010.440(2) as having a higher entitlement risk and even if the rezone were approved, it would concern underwriters that the zoning would ultimately still be inconsistent with the underlying land use designation.
3. If the Applicants' parcels remain R12 and are not included in the future commercial development project to the north, the Applicants would still have to pursue a more costly and time-consuming process on their own to achieve the General Commercial rezone under MMC 22G.010.440(2), which would require preparing a full development application.
4. And, if Applicants' current proposal is not considered now, the Applicants would be unable to submit a docket application in 2024 (*as the City is already underway with their 2024 Comprehensive Plan Update*) and once the 2024 Comprehensive Plan Update is approved, it would be more difficult for the Applicants and/or future commercial developers to justify a rezone under MMC 22G.010.440 because the comprehensive plan will have just been adopted.

The Proposed Zoning Supports an Equivalent Transition

Staff and the neighborhood to the south note that the existing multi-family zone may provide a better transition between future commercial development to the north and the residential neighborhood across 169th PI to the south. As a generalized planning statement this may be true in part, but the existing neighborhood and Applicants' parcels are currently separated by a street which is typically viewed as being an ideal location for the edge of a zoning district or neighborhood due to the break in land uses, typical frontage improvements (like street trees, etc.), and requirements for landscaping, setbacks, etc.

Image 1



For example, the city currently has at least two other areas where the General Commercial zone abuts the R12 zone – both of which rely on streets as a transition between zones.

The first (image 1), is an area between 80th Street (north) and 70th Street (south) that borders the R12 zone with 47th Avenue serving as the transition.

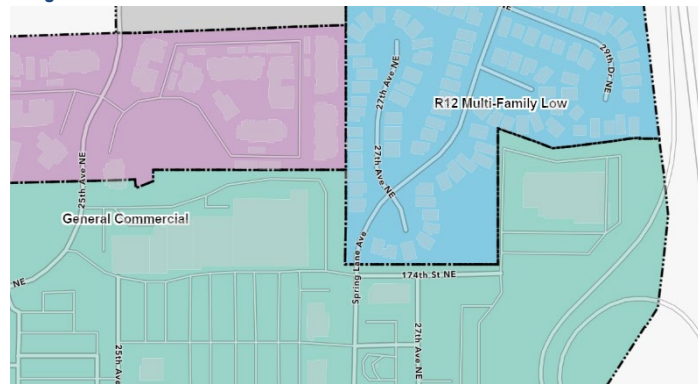
The second (image 2), is an area north of Applicants’ proposed rezone where the R12 zone is surrounded by General Commercial, including Dicks, a strip mall, and an Everett Clinic.

Looking at the density and dimensional standards for both the R12 and General Commercial zones also shows that it is possible to have an equal or better transition achieved.

Specifically, while the General Commercial zone would allow for a reduced setback from the street, it would impose the same base height allowance and Type L-3 (semi-opaque) landscape buffer.

Lastly, the rezone to General Commercial would keep open the potential that multi-family development (in the form residential over ground floor commercial) could still happen along 169th Place.

Image 2



Concerns About Future Use Can Be Addressed

Staff and the neighborhood to the south have expressed concern that the proposed redesignation and rezone to General Commercial would allow for uses that may not be compatible with the neighborhood.

The Applicants have offered and agreed to enter into a development agreement with the city that would restrict future uses on the parcel to ensure compatibility. However, the staff has indicated that they believe the city should not approve developer agreements and/or contract rezones for fear that such conditions may be imposed but development may not occur.

The Applicants acknowledge the city’s concern but believe that the use of such an agreement and/or contract rezone in this circumstance has merit because it can help the city attract a larger commercial project with a plan to develop the entire area, yielding a better outcome than piecemealed development that could occur on these smaller parcels.

Conclusion

The Applicants’ proposal is intended to ensure the parcels in question are part of a larger, well-planned commercial development at the corner of 172nd Street and 27th Avenue. The proposed redesignation and rezone are necessary to create the conditions precedent to such an action and MMC 22G.010.440(2) does not incentivize including the subject parcels within a larger commercial development.

The Applicants respectfully request Planning Commission **RECOMMEND APPROVAL** of the redesignation and rezone to General Commercial with findings that a final approval of the rezone be tied to recordation of a development agreement or other restriction on future development addressing less compatible uses located along 169th Pl adjacent to the residential development to the south.

We trust this additional information is helpful as the city analyzes the proposal.

Thank you,

David Toyer
President