CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: May 23, 2022

AGENDA ITEM:					
Consider Planning Commission's recommendation and othe maximum multi-family densities in the Community Busines					
PREPARED BY:	DIRECTOR APPROVAL:				
Haylie Miller, Community Development Director	Haylie Miller				
DEPARTMENT:	July				
Community Development					
ATTACHMENTS:					
1. Memorandum – City Council 05-23-22					
2. Proposed Code change (Alternative 3)					
3. Ordinance					
4. Planning Commission Meeting Minutes – 2-22-22					
5. CB Zone Map – Existing uses					
BUDGET CODE:	AMOUNT:				
N/A	N/A				
SUMMARY: Staff has received several development inquiries related to exclusive multifamily development within the Community Business (CB) zone and inquires with minimal commercial uses proposed. The CB zone currently requires a vertical mix of uses with commercial uses on the ground level with multifamily uses permitted above ground level commercial uses.					
Per MMC 22C.020.080 (2), the base density in the CB zone no maximum density, through utilization of Residential Der City Council may consider a lower base density, maximum as 8 to 10, 10 to 12 or 12 to 18 units per gross acre. A public hearing is scheduled for the May 23, 2022 Council	nsity Incentive provisions. The density, or a density range such				
, , , , , , , , , , , , , , , , , , ,					
RECOMMENDED ACTION: Consider the recommendat and/or consider reducing the based and maximum densities					
RECOMMENDED MOTION: I move to approve Ordina maximum densities in the CR zone to units per acre	nce #to reduce the base and				



MARYSVILLE COMMUNITY DEVELOPMENT

MEMORANDUM

TO: City Council

FROM: Haylie Miller, Community Development Director

DATE: May 23, 2022

SUBJECT: Code Amendments for the Community Business (CB) Zone, MMC 22C.020

CC: Gloria Hirashima, Chief Administrative Officer

Chris Holland, Planning Manager

Angela Gemmer, Senior Long Range Planner

Introduction:

Staff has received several development inquiries related to exclusive multi-family development within the Community Business (CB) zone and inquires with minimal commercial uses proposed. The CB zone currently requires a vertical mix of uses with commercial uses on the ground level with multifamily uses permitted above ground level commercial uses.

The development inquiries within the CB zone appear to be different from the original vision for this area.

Background:

Neither the County's Buildable Lands Report nor the City's Comprehensive Plan have assigned residential density to the Community Business zone as its primary use was envisioned to be commercial in nature.

As summarized in the Land Use Element of the Comprehensive Plan, the commercial areas in Marysville initially were located in the Downtown area and expanded along State Avenue and Smokey Point Boulevard. Improving these areas, and increasing the jobs-to-housing ratio in the City, are important to Marysville residents. The Community Business designation is one of a series of commercial land use categories identified in the Land Use Element to provide an adequate, convenient supply of goods and services for Marysville residents and workers as well as the traveling public. The CB zone is intended to furnish space for a wide variety of general retail activities and services, serving a number of neighborhoods.

The Comprehensive Plan further states, the CB zone is intended to serve a larger area than one neighborhood, but remain auxiliary to Marysville's downtown. Activities in this land use would be more automobile-oriented, serving a larger area and, therefore, might require an automobile to reach them. The uses would be such

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Community
Development
80 Columbia Avenue
Marysville, WA 98270

that one might go to an area and be able to run several errands or accomplish several tasks in one or two stops. Activities that might be permitted could be department and large grocery stores, and other uses that would draw people from many areas as opposed to just the immediate neighborhood. Some personal services and office uses would also be permitted. The land use is intended for individual, small businesses or an integral complex of several firms or businesses serving retail, office, and personal services.

The criteria and standards listed in the Land Use Element for the CB land use designation¹ are provided below:

- i. Criteria and Standards
 - Site Size: 5 20 acres; serving radius: 1 1/2 2 mile (15 20,000 population)
 - Types of Stores: department and large grocery stores; other uses that need
 the support of several neighborhoods rather than a single neighborhood;
 personal services and offices; individual, small businesses or an integral
 complex of several firms or businesses serving retail, office, and personal
 services
 - Access: Arterial streets
 - Number of Stores: 15-25, range of gross floor area: 100,000 200,000 sq. ft.
 - Implementation: Some commercial activities that have a repair or light industrial component should be included here, e.g. bike sales and repair, coffee roasting (if in conjunction with a shop), shoe sales and repair, candy sales and manufacture, computer sales and service, dry cleaning plants and retail, jewelry and watch sales and repairs, hardware, appliances, and electrical items sales and service (these could be limited by size, to differentiate which should be in General Commercial, and which here); as well as other commercial activities such as banks, fabric stores, luggage and leather goods, barber and beauty shops, automotive and boat sales, trade or business schools, hobby, toy and game shops, laundromats, sun tanning salons, second hand stores, pawn shops. Day care I are permitted within existing single family residences. Automotive repair and service is a conditional use. Things which should not be located in this land use are foundries or metal fabrication, flour, feed, and seed processing, go-cart tracks, race tracks, and outdoor storage.
- ii. Identification of Areas For the general location of commercial land uses. Other land uses may also occupy these areas. For more detailed location information, see the Planning Area maps in Section G of the Land Use Element.

¹ As outlined in section IV.C.II.c.i., of the Land Use Element of the Comprehensive Plan.

Marysville Municipal Code (MMC) Background: The primary intent of MMC section 22C.020.030 (2) Community Business and Community Business – Whiskey Ridge Zones is provided below.

- (a) The purpose of the community business (CB) and community business Whiskey Ridge (CB-WR) zones is to provide convenience and comparison retail and personal services for local service areas which exceed the daily convenience needs of adjacent neighborhoods but which cannot be served conveniently by larger activity centers, and to provide retail and personal services in locations within activity centers that are not appropriate for extensive outdoor storage or auto-related and industrial uses. These purposes are accomplished by:
 - (i) Providing for limited small-scale offices as well as a wider range of the retail, professional, governmental and personal services than are found in neighborhood business areas;
 - (ii) Allowing for a mix of housing and retail/service uses; provided, that housing is not allowed in the community business Whiskey Ridge zone; and
 - (iii) Excluding commercial uses with extensive outdoor storage or fabrication and industrial uses.
- (b) Use of this zone is appropriate in community business areas that are designated by the comprehensive plan and are served at the time of development by adequate public sewers, water supply, roads and other needed public facilities and services.

Discussion: City of Marysville Planning staff have received several inquiries over the last year related to high density residential uses within the CB zone. Some inquires have proposed hundreds of units on parcels zoned CB, with minimal to no commercial uses.

The market is highly conducive to residential uses and many applicants are seeking to develop large multifamily development projects in this zone throughout the City with as minimal commercial uses as possible to address the minimum code requirements. The CB zone currently permits multifamily units; however, all units must be located above a street-level commercial use. Inquiries have included ground level parking, leasing offices, recreational facilities, live-work units, etc., rather than traditional commercial uses.

Proposed Amendment Background:

Planning Commission Review

On April 12, 2022 the Planning Commission held a workshop session to consider several alternatives provided by staff below:

- 1. Maintain the existing code. The CB zone currently permits multifamily uses above a street-level commercial use at a base density of 12 dwelling units per gross acre with no maximum density, through utilization of Residential Density Incentive provisions.
- 2. Remove multifamily uses as a permitted use in the CB zone.
- 3. Reduce the base and maximum multifamily density in the CB zone.
- 4. Reduce the max height of mixed use buildings in the CB Zone.

The Planning Commission recommended the approach outlined in Alternative 1 above, resulting in no code change. This approach maintains the existing code that requires commercial uses on the first level with an unlimited amount of multifamily units above the first level.

Some Planning Commissioners noted that commercial construction is not viable at this time and that residential uses are needed to bridge the housing shortage in Marysville. The Planning Commission further suggested that there be more flexible options on the first level, such as structured parking in place of required commercial uses, or to allow for a flex type use which would allow the space to be built for commercial uses but occupied by residential until a future date when commercial uses may be more feasible. This concept is currently allowed in Arlington.

Staff recommended that at the very least, the code be maintained to require 100% commercial uses on the first level (with the exception of a limited number of ADA units) as cited in code. Staff cautioned against allowing any further flexibility in the code related to multifamily uses in the CB zone.

The majority of the Planning Commission was in support of Alternative 1 while one commissioner was not in support of Alternative 1 and requested that a conditional use permit or other flexibility measures be implemented to allow for multifamily-only developments in this zone on a case-by-case basis, or on a temporary or permanent basis. The meeting minutes for the Planning Commission meeting are attached as Attachment 3.

City Council Review

The City Council reviewed the alternatives and the Planning Commission's recommendation during the May 2 and May 9 City Council meetings, including one additional alternative (alternative 5). Alternative 5 contemplates rezoning one area or all areas in the CB zone.

The City Council ultimately directed staff to schedule a public hearing on May 23, 2022 to consider Alternative 3 – to reduce the maximum density in the CB Zone. A public hearing has been scheduled for this matter on May 23rd.

Proposed Amendment (Alternative 3) – Reduce the Maximum Density in the CB zone.

Per MMC 22C.020.080 (2), the base density is 12 units per gross acre with no maximum density, through utilization of Residential Density Incentive provisions. The City Council may consider a lower base density, maximum density, or a density range such as 8 to 10, 10 to 12 or 12 to 18 units per gross acre.

Staff has selected a vacant site in the CB zone, south of Twin Lakes to demonstrate what the proposed density ranges and trip generation that would be on a 16.5-acre site in the CB zone.



Figure 1. Example Site, 16.5-acres

Table 1. Example Site (16.5-acres): Residential Density and Traffic Trip² Scenarios

Max Density: Units/Acre	Total Units	Trips 7-9 AM 0.4 trips/unit	Trips 4-6 PM 0.51/unit	Average Daily Trips 6.74/day
8	132	53	67	890
10	165	66	84	1,112
12	198	79	101	1,335
14	231	92	118	1,557
16	264	106	135	1,779
18	297	119	151	2002
20	330	132	168	2224
22	363	145	185	2446

For the same site, staff is providing traffic figures associated with a commercial only development scenario for comparison purposes.

Table 2. Example Site (16.5-acres): Shopping Center use and Traffic Trip³ Scenarios

Land Use	Total Square Footage	Trips 7-9 AM 0.84 trips/1,000 SF	Trips 4-6 PM 3.40 trips/1,000 SF	Average Daily Trips 37 trips /1,000 SF		
Shopping Center	250,000 (covering 1/5 of the	210	850	9,250		
	example site)					

The density ranges provided for the Example Site in Table 1 (above) range from 8 to 22 dwelling units per acre. For comparison, multi-family developments in the Lakewood Neighborhood, zoned Mixed Use, have a base and maximum density of 28 dwelling units per acre and have developed to the following densities:

The Lodge Phase 1: 22 du/acre (188 units/8.6 acres)
The Lodge Phase 2: 23 du/acre (160 units/7.1 acres)
The Lodge Phase 3 & 4: 18 du/acre (344 units/19.5 acres)
Vintage at Lakewood: 27 du/acre (197 units/7.3 acres)
The Lodge Phase 5: 22 du/acre (204 units/9.4 acres)
Marroville 172 Apartments: 27 du/acre (474 units/17.4 acres)

• Marysville 172 Apartments: 27 du/acre (474 units/17.4 acres)

² Traffic trip rates are based on a Multifamily Housing (Low-Rise) rate from the Institute of Transportation Engineers (ITE) Trip Generation Manual, 11th Edition (2021).

³ Traffic trip rates are based on a Multifamily Housing (Low-Rise) rate from the Institute of Transportation Engineers (ITE) Trip Generation Manual, 11th Edition (2021).

Note; the Lodge Phases 1-3 and Vintage at Lakewood have been constructed and are occupied. The Lodge Phase 4 is currently under construction. The Lodge Phase 5 & Marysville 172 Apartments are currently under formal land use review.

Staff recommends Council consider the information provided by staff, as well as the public testimony taken at the public hearing, and select a base or maximum density range for the CB zone. Staff believes this is a policy-related decision and does not have a formal recommendation for amending the base and maximum density range in the CB zone.

However, staff encourages Council support exclusive ground floor commercial uses in the CB zone.

ALTERNATIVE 3:

REDUCE THE PERMITTED MULTIFAMILY DENSITY IN THE CB ZONE

22C.020.080 Densities and dimensions.

- (1) Interpretation of Tables.
 - (a) Subsection (2) of this section contains general density and dimension standards for the various zones and limitations specific to a particular zone(s). Additional rules and exceptions, and methodology, are set forth in MMC <u>22C.020.090</u>.
 - (b) The density and dimension table is arranged in a matrix format and is delineated into the commercial, industrial, recreation and public institutional use categories.
- (2) General Densities and Dimension Standards.

Standards	NB	СВ	GC	MU (12)	LI	GI	ВР	REC	P/I	WR-MU (15)	WR- CB (15)
Base density: Dwelling unit/acre	None (18)	12	12	28 (1)	0	0	0	0	0	12	0
Maximum density: Dwelling unit/acre	None (18)	12 None (13)	None (13)	28	0	0	0	0	0	18 (13)	0
Minimum street setback (3)	20 feet	None (7)	None (7)	None (7, 8)	None (7)	None (7)	None (7)	20 feet	None (7, 8)	None (7, 8, 14)	None (7, 14)
Minimum interior setback	10 feet (side) 20 feet (rear)	None (4)	None (4)	None (9)	None (4) 50 feet (5)	None (4) 50 feet (5)	None (4)	None (4)	None (4)	5 feet (9, 16, 17)	None (4)
Base height (6)	25 feet	55 feet	35 feet	45 feet	65 feet	65 feet	45 feet	35 feet	45 feet	45 feet	55 feet
Maximum impervious surface: Percentage	75%	85%	85%	85%, 75% (11)	85%	85%	75%	35%	75%	85%, 75% (11)	85%

CITY OF MARYSVILLE Marysville, Washington ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MARYSVILLE, WASHINGTON, RELATING TO AMENDMENTS TO THE MARYSVILLE MUNICIPAL CODE RELATING TO THE MAXIMUM DENSITY: DWELLING UNIT/ACRE IN THE COMMUNITY BUSINESS ZONE, INCLUDING AMENDMENTS TO MARYSVILLE MUNICIPAL CODE SECTION 22C.020.080

WHEREAS, the State Growth Management Act, RCW Chapter 36.70A mandates that cities periodically review and amend development regulations which include but are not limited to zoning ordinances and official controls; and

WHEREAS, RCW 36.70A.106 requires the processing of amendments to the City's development regulations in the same manner as the original adoption of the City's comprehensive plan and development regulations; and

WHEREAS, the State Growth Management Act requires notice and broad public participation when adopting or amending the City's comprehensive plan and development regulations; and

WHEREAS, the Community Business zone was originally envisioned to be primarily commercial in nature, and neither the County's Buildable Lands Report nor the City's Comprehensive Plan assigned residential density to the Community Business zone; and

WHEREAS, multiple-family dwelling units are currently a permitted use within the Community Business zone, subject to certain conditions, including that residential units be located above a street-level commercial use (with the exception for the allowance of two ADA units on the street level, subject to an approved conditional use permit); and

WHEREAS, the market is currently highly conducive to residential uses, and City staff have received several development inquiries related to exclusive multi-family development within the Community Business (CB) zone and inquiries with minimal commercial uses proposed; and

WHEREAS, the development inquiries within the Community Business zone are inconsistent with the original vision for this zone, consisting of several hundred multifamily dwelling units; and

WHEREAS, the City, in reviewing and amending its development regulations has complied with the notice, public participation and processing requirements established by the Growth Management Act, as more fully described below; and

WHEREAS, the City Council of the City of Marysville finds that from time to time it is necessary and appropriate to review and revise provisions of the City's municipal code and development code (MMC Title 22); and

- **WHEREAS**, during the public meeting on April 12, 2022, the Planning Commission discussed proposed amendments related to the Community Business Zone and recommended no changes to MMC 22C.020; and
- **WHEREAS**, during public meetings on May 2 and May 9, 2022 the City Council discussed potential amendments related to the Community Business Zone, which potential amendments included establishing a maximum density limit in the Community Business Zone; and
- **WHEREAS**, establishing a density limit in the Community Business zone would better ensure that future developments in the Community Business zone are consistent with the intended vision for this zone; and
- **WHEREAS**, the City Council held a duly noticed public hearing on May 23, 2022 to consider the changes to MMC 22C.020.080 that would establish a density limit in the Community Business zone; and
- **WHEREAS**, the City of Marysville has submitted proposed development regulation revisions to the Washington State Department of Commerce on May 4, 2022 (Material ID 2022-S-3935) seeking expedited review under RCW 36.70A.106(3)(b) and in compliance with the procedural requirements of RCW 36.70A.106; and
- **WHEREAS**, the amendments to the development regulations are exempt from State Environmental Policy Act review under RCW 43.21C.450(1).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MARYSVILLE, WASHINGTON, DO ORDAIN AS FOLLOWS:

- **Section 1**. **Amendment of Municipal Code Section 22C.020.080**. MMC Section 22C.020.080, entitled Density and Dimensions, is hereby amended as set forth in **Exhibit A**.
- **Section 2**. **Required Findings**. The amendments to Section 22C.020.080 are consistent with the following required findings of MMC 22G.010.520:
 - (1) The amendments are consistent with the purposes of the comprehensive plan;
 - (2) The amendments are consistent with the purpose of MMC Title 22;
 - (3) There have been significant changes in the circumstances to warrant a change;
- (4) The benefit or cost to the public health, safety and welfare is sufficient to warrant the action
- **Section 3. Amendment Tracking.** MMC Section 22A.010.160, entitled "Amendments," is hereby amended as follows by adding reference to this adopted ordinance in order to track amendments to the City's Unified Development Code (all unchanged provisions of MMC 22A.010.160 remain unchanged and in effect):

"22A.010.160 Amendments.

The following amendments have been made to the UDC subsequent to its adoption:

Ordinance <u>Title (description)</u>	Effective Date
Community Business Zone	, 2022"
word of this ordinance should be held to be in jurisdiction, such invalidity or unconstituti	section, subsection, sentence, clause, phrase or avalid or unconstitutional by a court of competent onality thereof shall not affect the validity or ection, sentence, clause, phrase or word of this
code reviser are authorized to make necesscrivener's errors or clerical mistakes; refere	oproval by the city attorney, the city clerk or the essary corrections to this ordinance, including ences to other local, state, or federal laws, rules, of ordinances or their sections and subsections
Section 6. Effective Date . This of the date of its publication by summary.	ordinance shall become effective five days after
PASSED by the City Council and APPF	ROVED by the Mayor this day of
, 2022.	
	CITY OF MARYSVILLE
	By: JON NEHRING, MAYOR
Attest:	
By: DEPUTY CITY CLERK	_
Approved as to form:	
By: JON WALKER, CITY ATTORNEY	_
Date of Publication:	<u> </u>
Effective Date:	_

Exhibit A

22C.020.080 Densities and dimensions.

- (1) Interpretation of Tables.
 - (a) Subsection (2) of this section contains general density and dimension standards for the various zones and limitations specific to a particular zone(s). Additional rules and exceptions, and methodology, are set forth in MMC <u>22C.020.090</u>.
 - (b) The density and dimension table is arranged in a matrix format and is delineated into the commercial, industrial, recreation and public institutional use categories.
 - (c) Development standards are listed down the left side of the table, and the zones are listed at the top. The matrix cells contain the minimum dimensional requirements of the zone. The parenthetical numbers in the matrix identify specific requirements applicable either to a specific use or zone. If more than one standard appears in a cell, each standard will be subject to any applicable parenthetical footnote set forth in MMC 22C.020.090.
- (2) General Densities and Dimension Standards.

Standards	NB	СВ	GC	MU (12)	LI	GI	ВР	REC	P/I	WR-MU (15)	WR- CB (15)
Base density: Dwelling unit/acre	None (18)	12	12	28 (1)	0	0	0	0	0	12	0
Maximum density: Dwelling unit/acre	None (18)	12 None (13)	None (13)	28	0	0	0	0	0	18 (13)	0
Minimum street setback (3)	20 feet	None (7)	None (7)	None (7, 8)	None (7)	None (7)	None (7)	20 feet	None (7, 8)	None (7, 8, 14)	None (7, 14)
Minimum interior setback	10 feet (side) 20 feet (rear)	None (4)	None (4)	None (9)	None (4) 50 feet (5)	None (4) 50 feet (5)	None (4)	None (4)	None (4)	5 feet (9, 16, 17)	None (4)
Base height (6)	25 feet	55 feet	35 feet	45 feet	65 feet	65 feet	45 feet	35 feet	45 feet	45 feet	55 feet
Maximum impervious surface: Percentage	75%	85%	85%	85%, 75% (11)	85%	85%	75%	35%	75%	85%, 75% (11)	85%

Planning Commission



1049 State Avenue Marysville, WA 98270

Meeting Minutes April 12, 2022

CALL TO ORDER / ROLL CALL

Chair Leifer called the April 12, 2022 Planning Commission meeting to order via Zoom at 6:02 p.m.

Present:

Commissioner: Chair Steve Leifer, Vice Chair Brandon Whitaker, Commissioner Jerry

Andes, Commissioner Roger Hoen, Commissioner Sunshine Kapus,

Commissioner Kristen Michal

Absent: Commissioner Tom Thetford

Staff: Community Development Director Haylie Miller, Project Specialist

Janis Lamoureux

APPROVAL OF MINUTES

March 22 Planning Commission Minutes

Commissioner Andes noted that his title is no longer Vice Chair. Commissioner Whitaker is now the Vice Chair.

Motion made by Vice Chair Whitaker, seconded by Commissioner Kapus, to approve the minutes as corrected.

AYES: ALL

AUDIENCE PARTICIPATION

Chair Leifer solicited audience participation on items not on the agenda. There was none.

NEW BUSINESS

Code Amendment – Multi-family Residential in the Community Business Zone

Director Miller reviewed a potential code amendment related to the Community Business (CB) Zone. All of the areas zoned CB throughout the City are evenly distributed in little pockets. The original intent of the zone was to primarily be business in nature and provide for commercial uses in these certain areas that are an accessory to the residential neighborhoods next to them. Residential development is very popular right now, and staff has received several requests for high density multifamily development for this area. Some applicants have said they only want residential development and are not interested in having commercial at all.

Staff has provided four alternatives for the Planning Commission to consider for this area:

- 1. Leave the chapter how it is: Require 100% commercial on the ground level with no limit to residential units on top.
- 2. Remove all multifamily uses as a permitted use in the CB Zone. This would make it primarily commercial. This has been done in the Whiskey Ridge area.
- 3. Reduce the multifamily density in the CB zone.
- 4. Reduce the maximum height in the buildings.

Commissioner Kapus was not in favor of removing the multifamily use but was in favor of a Commercial Use Permit that she has seen in other jurisdictions. She thought that requiring a commercial component was a very old approach. She pointed out how dilapidated a lot of commercial buildings are right now. She wondered about the vacancy rate of the existing commercial in Marysville. Director Miller indicated she could look into that. She acknowledged that there is a high vacancy rate right now, but emphasized they are trying to discern what the long-term vision for the area is. She noted that staff has been told by applicants that requiring 100% on the ground floor would kill their projects.

Vice Chair Whitaker recalled a discussion they had previously about mixed-use capability throughout the City. He noted that commercial can kill projects right now. However, if it is all opened up to high-density residential and remove the commercial, it could potentially impact the long-term operations in Marysville. He thought they had discussed that perhaps the mixed use would not have to be a traditional vertical structure with commercial on the ground and residential on the top. Director Miller clarified that the previous multifamily conversations he was referring to were around the Lakewood area which is a horizontal mixed-use area. The CB zone automatically requires a vertical mixed use.

Commissioner Kapus asked how many units they have missed out on by requiring the commercial. Director Miller thought it was probably a couple hundred units recently. She has told developers that there are other areas that are zoned for multifamily or that could be redeveloped.

Commissioner Hoen referred to a prior comment that the decisions they make about development are 50-year decisions. It seems to him that Highway 9 would actually become more commercial than just a thoroughfare, especially with the expansion of the population. He wondered about a long-term vision for the Highway 9 corridor. Director Miller explained that there are plans for it to be a commercial thoroughfare. The City is starting meetings with the City of Arlington about UGA boundaries. There are pockets of CB zone where Highway 9 intersects with busy roads that are intended to be commercial.

Commissioner Andes thought there should still be some commercial required on the bottom. He believes that sometime in the future we will be needing more commercial. He suggested that the percentage could be something less, like maybe 50 to 80%. Director Miller thought the Council would want 100% commercial on the bottom. However, she suggested that they could consider requiring only 80% commercial on the bottom and maybe the other 20% could be parking for the commercial use. Commissioner Andes thought that maybe there was a happy medium of commercial somewhere in there. Director Miller thought that was a good gesture but noted that her understanding was that any amount of commercial was problematic for developers.

Commercial Michal referred to Whiskey Ridge and noted that saving some areas for commercial or requiring commercial at least provides some services a little closer to the residents. She also noted that by not allowing 100% multifamily in these areas it could encourage development and redevelopment in other areas.

Director Miller clarified that in the long-range Comprehensive Plan they did not assign any theoretical population numbers to the CB zone. Changing anything in this zone will not impact the City's growth targets; the original vision for it was commercial with multifamily uses as a supplement.

Chair Leifer spoke in support of leaving the zone as is. There are still people that want to go into a physical store to do business. He doesn't see anything that is mutually exclusive about having retail on the first floor with many stories of residential above it. He thinks there should be some business required or they need to quit calling it Community Business Zone. He doesn't have a problem with only having only some portion of the ground floor as commercial with parking in the back. He was comfortable with a range of 50-80% commercial required on the ground floor. He referred to the example in the packet and thought that was a positive thing to aim for.

Commissioner Kapus noted that the City of Arlington is allowing the first floor to be built for commercial standards but used as residential rental units until there is a market for commercial. She commented on the challenges that requiring commercial puts on financing. She spoke in support of allowing flexibility in the projects in order to get something there and get housing built for the community. Director Miller wondered what will happen to those units in Arlington once the timer runs out. She thought this might put the City in a bind and did not think the Council would be supportive of going backwards. She explained there was a concern voiced at the Economic Development

Committee meeting that this area, even as written in code, was turning into something that City had not envisioned for this area.

Chair Leifer agreed with Commissioner Kapus not blocking projects because the bar is too high. He wondered if there is a mechanism that could be applied to incentivize more commercial on the first floor. He also commented on the massive transportation changes coming with mass transit and the interchange. Along with that there is a desire to intensify development around the nodes in high traffic areas. It did not make sense to him to eliminate commercial completely. He is in support of leaving the zone as is but possibly changing the ratio of commercial.

Commissioner Andes also spoke in support of option 1.

Vice Chair Whitaker also agreed with option 1.

Commissioner Kapus spoke in support of a Conditional Use Permit or some option to review what the commercial component looks like. She has lived in Maryville a long time and doesn't think COVID is the reason these buildings are vacant.

Commissioner Michal spoke in support of leaving the code as it is, option 1. She asked why these sites are more attractive than what is currently existing in multifamily zone sites. Director Miller replied that the sites are flat and some have better visibility, but generally developers just want to build multifamily even on sites that are more difficult. Regarding parking, she added that there is discretion built into the code already for unique situations.

Commissioner Hoen spoke in support of option 1.

The majority of the Commission was in support of option 1, leaving the code as it is. Director Miller indicated she would check with staff to see if this needs to go to Council if it a change isn't recommended. She thanked the Commission for their consideration and input.

PRESENTATION

Development Project Update

This item was continued to the next meeting.

COMMISSION DISCUSSION ABOUT IN-PERSON MEETINGS

Commissioners spoke in support of a hybrid option and shifting the meeting time to 6:30 p.m. starting with the first meeting in May.

ADJOURNMENT

Motion to a	adjourn at the meeting at 7:16 p.m., moved by Commissioner Kapus,
seconded b	by Vice Chair Whitaker.
AYES:	ALL

Laurie Hugdahl, Recording Secretary

Next Meeting:

- April 26 via Zoom at 6:00 p.m.
- May 10 in-person/hybrid at 6:30 p.m.

