Land Use & Environment Committee (LUEC) Member Vanderpool provided recommendations for eliminating certain zoning standards as part of the proposed Planned Action Ordinance (PAO) discussed at the February 20, 2025 LUEC meeting. The LUEC requested staff to provide guidance on the scope of zoning changes that may be considered given the guidance provided in the Subarea Plan and its Environmental Impact Statement. Committee Member Vanderpool's recommendations are listed below along with responses by city staff.

Background

The purpose of the PAO is to implement recommendations of the Capital Mall Triangle Subarea Plan. The ordinance as proposed will:

- o streamline the environmental review process for development
- o reduce building step back requirements
- o increase maximum building heights in the core of the subarea
- reduce parking requirements for restaurants, shopping centers, offices, daycares, and retail uses
- create a new overlay area in the core of the subarea where affordable housing projects are allowed additional building height (30% of the dwellings must be affordable to those making 80% of the area median income)
- o adjust block size requirements and make them more flexible

<u>LUEC Member Vanderpool Recommendations</u>

1. Eliminate parking requirements for commercial, industrial, institutional, places of assembly, recreation/amusement, residential, and restaurants
Staff Response: The Capital Mall Triangle Subarea Plan recommends application of citywide residential parking standards approved in 2023 that substantially reduced parking requirements for new residential uses. Because of these changes, no residential parking would be required for residential projects in the Capital Mall Triangle due to proximity to frequent transit routes.

Community input received during the subarea planning process included concerns about parking overflowing into residential areas near the subarea. Based on this input, the Subarea Plan recommends reducing parking minimums to zero for a select few commercial land uses including offices, shopping centers, retail and restaurants (Planning Commission added daycares).

The Community Planning & Economic Development's (CPED) annual work plan includes an evaluation of commercial parking standards citywide (starting late 2025). This will provide an opportunity for a comprehensive review of parking for all commercial zone districts and uses across the city.

2. Eliminate Minimum Lot Size Requirement

Staff Response: The Subarea Plan does not provide a recommendation regarding lot sizes. The High-Density Corridor-3 (HDC-3) and HDC-4 zone districts cover a majority of the subarea and there is no minimum lot size in these zone districts except for townhouses which is 1,600 square feet. Elimination of the minimum lot size requirement for townhouses would be considered a minor change to the PAO and would not conflict with the Subarea Plan or is Environmental Impact Statement.

3. Eliminate Setbacks

Staff Response: The Subarea Plan does not provide a recommendation regarding setbacks. Both the HDC-3 and HDC-4 zone districts have a 0–10-foot maximum front yard setback, no side yard setback, and a 10-foot minimum rear yard setback. An intent of the high-density corridor zoning districts is to establish a street edge that is as continuous as possible with buildings which are close to the street, and which have multiple floors, distinctive windows facing the street, and entrances that are visible from the street. The maximum front yard setback is the primary zoning tool to ensure new buildings are located adjacent to and oriented to the street with parking behind the building. Staff recommends the setback standards be retained.

4. Eliminate Maximum Building Heights

Staff Response: Building height allowances are increased in the PAO as recommended in the Subarea Plan. This subject received a significant amount of attention by the community that guided the recommendations in the plan to increase building heights while retaining a maximum standard. The economic consultants for the Subarea Plan estimated that taller buildings would not be feasible until the latter part of the 20-year planning period. Staff recommends the height standards be adopted as proposed in the PAO.

5. Eliminate Maximum Building Coverage; Maximum Impervious Surface Coverage; Maximum Hard Surface Standards

Staff Response: Public input during the subarea planning process included comments about too much pavement in the subarea. The existing code allows between 70% and 85% building coverage, 85% for impervious surface coverage, and 100% for hard surface coverage in the HDC-3 and HDC-4 zone districts. A hard surface is an impervious surface, a permeable pavement, water penetrable decking, or a vegetated roof.

Staff supports removal of the building coverage maximum. Middle Housing Phase 2 draft regulations also propose removal of the maximum building coverage for residential zones. Staff believes impervious and hard surface coverage requirements work together to encourage use of permeable pavement alternatives and should be retained.

- 6. Eliminate Additional District-Wide Development Standards/Building Stepbacks Staff Response: Modification of the existing code requirement of stepping back buildings at three floors is a recommendation of the Subara Plan. The PAO moves the stepback requirement to the sixth floor for standard construction and removes the need for low carbon materials such as cross laminated timber. Stepbacks are used to make areas more human scale. Staff recommends a stepback requirement be retained as proposed in the PAO.
- 7. Restrict new drive-throughs, fast-food, and low density single-use development below 20 units per acre, including new construction on boarding roads and streets.

Staff Response: These issues were not raised during the subarea planning process. Citywide drive-through zoning amendments are included as a future work item on the LUEC Work Plan. Fast food restaurants are addressed in zoning in the same grouping as other types of restaurants.

The PAO may be amended to remove some of the permitted lower density residential uses that are currently allowed in the HDC-3, HDC-4, RM18, and PO/RM zone districts within the subarea such as single-family dwellings and duplexes. This would be considered a minor change to the PAO and would not conflict with the Subarea Plan or the Environmental Impact Statement.

8. A Park Plan - The Action Ordinance does not speak to this.

Staff Response: A Park Plan is outside of the scope of the PAO. The Subarea Plan gives direction to prepare a Park Plan during the next update to the City's Parks, Arts and Recreation Plan.