

**Bothell City Council**  
**AGENDA BILL**

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Meeting Date: June 18, 2019

Action  No Action

AB #: 19-103

Subject: Potential Plan and Code Amendments for Minimum Density in Residential–Activity Center (R-AC) Zoning

Budget Impact/Source of Funds: N/A

Staff Presenter/Department: Bruce Blackburn, Community Development

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**Policy Consideration and Connection to Council Goals:**

The R-AC zone has been applied to several areas within Bothell to create opportunities for more mixed-use development, a broader range of housing types, and, in some cases, additional development capacity to accommodate growth. There are two policy considerations for Council:

1. Whether a minimum level of development (i.e., density or activity units) should be required in some or all R-AC zoned areas to maximize the available capacity, in particular in Canyon Park and North Creek/NE 195 ST Subareas; and
2. What items to defer if Council would like this item to be added to the docket for 2019.

This project supports the Council goal of retaining the regional growth center designation within the Canyon Park Subarea by establishing minimum development levels to better meet the Puget Sound Regional Council's (PSRC) requirements. If Council chooses to initiate these Plan and Code amendments that will direct staff to analyze options and implications for establishing an appropriate minimum density for the R-AC zone.

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**Background:**

The City of Bothell created the R-AC zone in 2002 (Ordinance 1876) as a means of focusing growth toward the City's activity centers where transportation, utility, transit, available services, and employment were capable of accommodating higher levels of population growth. R-AC zones are in close proximity to the City's major transportation and transit corridors of I-405, SR-522, SR-523, and SR-527. R-AC zoning was applied to portions of five of the City's 17 subareas and covers approximately 1,540 acres.

The five subareas that contain the R-AC zone are:

- Thrasher's Corner / Redhawk
- Canyon Park
- Country Village / Lake Pleasant / Bothell-Everett Highway
- North Creek / NE 195 ST
- Brickyard Road / Queensgate

One of the purposes of the R-AC zone was to avoid the need to increase population growth within the City’s established residential neighborhoods as supported by Comprehensive Plan Policy LU-P6, which states:

“Preserve the character of established neighborhoods and protect such neighborhoods from intrusion by incompatible uses.”

The R-AC is described in Land Use Element Policy LU-P4 as:

“This designation shall provide for multi-family residential development in designated activity centers, and is intended to promote a variety of housing types in sufficient numbers to support a range of shopping, dining and entertainment opportunities within those centers. *No specific density is prescribed:* the number of units which may be constructed on an individual property or within the center shall be controlled by site and building regulations concerning height, parking, landscaping, setbacks and other aspects of development.” *(Emphasis added)*

Portions of the Canyon Park subarea, designated a regional growth center (RGC), are zoned R-AC. In March 2018, PSRC revised its RGC criteria. Under the revised criteria, a RGC must provide 18 existing activity units per acre and plan for 45 activity units. An activity unit means one resident or one employee. To put this into land use planning terms, activity units must be converted to dwelling units per acre. This is done by applying a persons per household (PPH) figure to the minimum activity unit criteria. That calculation identifies a density range between 27 to 32 residential units per acre is necessary to achieve 45 activity units per acre.

*Table of completed and constructed R-AC developments:*

<b>Name</b>	<b>Units</b>	<b>Land area</b>	<b>Units per acre</b>
Emerald Crest	53	0.61 ac	87
Beardslee Village	372	5.61 ac	63
Urbane Village <sup>1</sup>	212	11.6 ac	18

1. Urbane Village is subject to a 35-foot maximum height, while all other R-AC zones allow a 65-foot building height. The 35-foot limit effectively halves the density potential of the R-AC zone.

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**Previous City Actions:**

- June 2002: Council adopts the Residential-Activity Center Zone
- March 2017: Council approves 2017 Planning Docket, including Canyon Park Subarea Plan Update

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**Discussion:**

The City is heavily reliant on the R-AC zone to accommodate a substantial amount of the City’s 2035 population growth target. For example, King County assumes in its most recent buildable lands report that the R-AC zone to provide between 50 to 80 dwelling units per acre,. If this unit per acre assumption is adjusted downward in the 2020 buildable lands analysis, the city may be faced with accommodating that ‘lost’ growth elsewhere in the community.

There are approximately 1,540 gross acres within the five subareas assigned the R-AC zone as depicted in the map included as **Attachment 2**. The 2012 King County buildable lands report

identifies a ‘capacity’ of 3,286 dwelling units (+6,210 residents) within the 55 vacant or re-developable R-AC lands or 60 units per acre.

Minimum Development Levels

The issue of minimum development levels in the R-AC zone is being raised now because two recent residential developments proposed or permitted within the Canyon Park RGC generate activity units substantially below the RGC minimums. This makes retention of the Canyon Park RGC designation a more difficult endeavor.

*Table of recent (2019) R-AC development proposals within the Canyon Park RGC:*

<b>Name</b>	<b>Units</b>	<b>Land area</b>	<b>Units per acre</b>
Tract 18 & 19 townhomes (approved)	118	6.93 ac	17
Tract 24 townhomes (in review)	231	12.43 ac	19
Canyon Park apartments (pre-application only) <sup>1</sup>	531	9.8	54

1. This proposal achieves the RGC criteria but is only at the pre-application stage.

A similar situation is occurring within the North Creek / NE 195 ST Subarea where two other townhome applications have been proposed at densities that are less than 20 dwelling units per acre.

*Table of recent (2019) R-AC development proposals within the North Creek / NE 195 ST Subarea:*

<b>Name</b>	<b>Units</b>	<b>Land area</b>	<b>Units per acre</b>
Preston North	94	5.0 ac	19
Preston South	59	7.2 ac	8

Of the five recent R-AC developments, four propose townhouse products that result in densities less than 20 dwelling units per acre. Townhouses are a desirable housing product but, as proposed, do not achieve the 40 to 80 dwelling units per acre anticipated for the R-AC zone.

Staff Resources

If the Council initiates this Plan and Code amendment staff suggests the Planning Commission formulate a recommendation this fall for Council consideration during the fourth quarter of 2019.

Staff is estimating this activity will take approximately 125-175 hours to complete, including analysis, community outreach, environmental analysis and developing options for Planning Commission and Council consideration. The staff hours in the 2019 Docket (**Attachment 1**) are fully allocated and the small amount that was available as ‘contingency time’ has been assigned to the Downtown Lots D, E, F, and G work.

To accommodate this new project, there are two 2019 Docket item(s) the Council may consider fully or partially extending into 2020:

- Item 7B the Accessory Dwelling Unit (ADU) Code amendments (125 hours) – defer additional work until 2020
- Item 7C the Multifamily Tax Exemption (MFTE) foundation work (300 hours) – reduce time worked on this item in 2019 to 175 hours to start the work and complete in 2020

Both of these Docket items rely on assistance from ARCH staff. Due to other priorities, ARCH staff have not been available to assist with these efforts so far this year. However, assistance is expected to be available beginning this summer or early fall. Between these two Docket items, City staff recommends keeping implementation of MFTE as a higher priority to at least begin the work to enact the program in 2020. The joint cities work on ADUs coordinated by ARCH continues to be on hold and timing for re-starting that work is unknown.

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**Category:**

Study Session

- Staff Presentation
- Council Discussion
- Council Direction on whether to Initiate Plan and Code amendment and defer/delay two other 2019 Docket items

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**Attachments:**

1. 2019 Docket
2. Map from Comprehensive Plan Figure LU-3, depicting the subareas with R-AC zoning

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**Recommended Action:**

Staff is recommending Council initiate 2019 Plan and Code amendments to analyze potential minimum development levels (i.e., density/activity units) for the R-AC Plan designation and zoning classification, to assign the amendments to the Planning Commission for recommendation and future action by the Council, and to amend the 2019 Docket by deferring Docket item 7B to 2020 and delaying work on item 7C until later in 2019.

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City Manager Approval: \_\_\_\_\_



Date: 06/13/2019