



STAFF REPORT TO THE PLANNING COMMISSION

MEETING DATE: June 23, 2011

NOTIFICATION: Mailing to properties within 500' radius, 4/14/11 & 6/10/11
Site Posted, 4/14/11, 6/14/11
Notice published in the Seattle Times, 6/9/11

FILE NUMBERS: L11-001 Comprehensive Plan Amendment
L11-002 Rezone

APPLICANT: Mikel Hansen/Sabey Corporation

REQUEST: Change Comprehensive Plan and zoning designation from
Manufacturing Industrial Center—Heavy (MIC-H) to Light
Industrial (LI)

LOCATION: 10200 E. Marginal Way. S, Tukwila, WA (Tax Parcel
#0423049184)

COMPREHENSIVE PLAN: Manufacturing/Industrial Center—Heavy (MIC-H)

ZONING: Manufacturing/Industrial Center—Heavy (MIC-H)

SEPA DETERMINATION: Determination of Non-Significance issued 4/28/11

STAFF: Rebecca Fox, Senior Planner

ATTACHMENTS: A. Comprehensive Plan Amendment Application (#L11-001)
B. Rezone Application (#L11-002)
C. Site Map
D. Site Map—aerial
E. Proposed map change with 2007 MIC/H to LI

FINDINGS

BACKGROUND

Request: The applicant, Mikel Hansen of the Sabey Corporation is requesting a change in Comprehensive Plan and zoning on .64 acres from Manufacturing Industrial Center/Heavy (MIC/H) to Light Industry (LI) at 10200 E. Marginal Way South. (Attachments A and B) The property, located in the Manufacturing/Industrial Center (MIC) was formerly occupied by Community Bank. Now vacant, it has been acquired by the Sabey Corporation. (Attachments C and D)

Background:

In 2007, the City of Tukwila approved a rezone request from the Sabey Corporation from Manufacturing Industrial Center-Heavy (MIC/H) to Light Industrial (LI) on 32 acres of the 62 acre Unified Grocer (then Associated Grocer) site. (Attachment E) The 62 acre property is split between the City of Tukwila and the City of Seattle, with the remaining 30 acres located immediately adjacent in the City of Seattle. The applicant's intent was to obtain compatible zoning changes from both Tukwila and Seattle to allow development of a large-scale project with light industrial and commercial uses. In 2009, the City of Seattle approved a rezone of the remaining 30 acres from General Industrial to Industrial Commercial (IC) which is most similar to Tukwila's Light Industrial (LI).

The applicant had wanted to include the subject property in the original 2007 rezone, but did not own the parcel at that time. The applicant has now acquired the property, and is proceeding with the Comprehensive Plan and zoning map changes so that the entire project has the same zoning. This will enable the owner to prepare for eventual large scale development that includes the subject property. Through an interlocal agreement with Seattle, Tukwila will have responsibility for development permitting for the entire site, including the portion in Seattle.

By approving the 2007 rezone, the City Council indicated that the LI designation was appropriate for the general location. The current .64 acre map change from MIC/H to LI is being considered primarily as the completion of the 32 acre rezone, rather than as an entirely new issue or as part of the 2011 MIC update.

Vicinity/Site Information

The property is situated at the eastern edge of Tukwila's Manufacturing/Industrial Center. The subject property currently contains the now-vacant former Community Bank building. The site is flat, with landscaping and paved parking areas. The subject property occupies approximately .64 acres on the western border of a 62 acre site proposed for a future light industrial, office, lodging, entertainment and retail development.

The subject property is south of King County International Airport (KCIA), defined by the state's Growth Management Act as an "essential public facility." The site is impacted by noise from I-5, the railroad tracks and the airport.

Surrounding Uses within 1,000 feet are:

North—King County International Airport (“KCIA” aka Boeing Field) and other Boeing properties, restaurant

South—Light industrial, commercial office uses

East—Railroad tracks, Airport Way S. and I-5

West—E. Marginal Way, Duwamish River, restaurant and commercial

File # L07-066—COMPREHENSIVE PLAN AMENDMENT

COMPREHENSIVE PLAN CRITERIA:

1) Describe how the issue is addressed in the Comprehensive Plan. If the issue is not adequately addressed, is there a need for it?

Four broad-reaching objectives are the basis for the elements, goals and policies for Tukwila’s Comprehensive Plan. The Plan’s third priority objective recognizes the importance of industrial uses to the community as follows:

***Objective 3.** “To redevelop and reinvigorate the industrial uses along East Marginal Way”*

Comprehensive Plan policies balance support for the Manufacturing/Industrial Center and industrial uses with Tukwila’s overall goals for continued economic development and well-being as follows:

- ***Goal 11.1 (Manufacturing/Industrial Center);***

Support for existing industrial activities in the Manufacturing/Industrial Center and development of industrial activity in order to maximize the employment and economic benefits to the people of Tukwila and the region, while minimizing impacts on residential neighborhoods.

The MIC zones are intended primarily for industrial uses or activities that support these uses. Policies protect the land resource, allowing it to be used effectively to generate its potential of high-wage jobs and public revenue as follows:

- ***Policy 11.1.5:***

Allow uses that are commonly associated with manufacturing and industry, including those directly supporting such activity, such as offices and laboratories, while prohibiting unrelated uses.

Allowing a broader range of uses, including light industrial and commercial, that can be developed under the Light Industrial zoning generally supports a varied and healthy economy for Tukwila as follows:

- ***Goal 2.1***

Continuing enhancement of the community’s economic well-being

2) Impacts

The requested map change would remove approximately .64 acres from Tukwila's Manufacturing/Industrial Center—Heavy (MIC/H) and transfer them to the Light Industrial (LI) designation/zone. This action would allow a broader range of non-manufacturing uses, and would still permit light industrial uses such as warehouse storage or wholesale distribution facilities. Land available for the heaviest industrial uses would be reduced. Prior to the applicant's acquisition of the property, it was the site of Community Bank, an office/service use.

Recent updates to the MIC element of the Comprehensive Plan reaffirmed the importance of the MIC as a center for industrial land, and recommended that light rail and commuter rail stops locate in the vicinity of Boeing Access Road, approximately a block south of the subject site.

When the adjacent 32 acre rezone from MIC/H to LI was approved in 2007, the City of Tukwila considered the potential impacts that redevelopment of the entire 32 acres could have on existing and future land use and development in the Manufacturing/Industrial Center (M/IC). It was found that traffic impacts could be addressed through improvements to signals, and could be funded through traffic mitigation and concurrency fees (Mirai, 2007). Impacts to industrial lands would be slight, since most of the adjacent uses are already either light industrial or warehouse (EcoNorthwest, 2007) Any pressure for conversion of adjacent lands from industrial to commercial is more likely a function of regional land prices and employment trends, than specific activity at the project site.

3) Is the proposed change the best means for meeting the identified public need? What other options are there for meeting the identified public need?

Redevelopment of the subject property if zoned LI and included in a larger project could provide a range of additional employment and commercial opportunities, depending on the mixture of uses such as office, hotel, light industry and retail use that locate in the project. It is not known what specific development will occur in the Tukwila and Seattle portions of the development.

Other options for meeting the public need for employment opportunities and tax revenue, include:

- retaining the current MIC/H designation, and to allow the property to redevelop with uses that are more industrial in nature, or;
- retaining the current MIC/H designation, and allowing a new office tenant to occupy the existing structure.

4) Will the proposed change result in a net benefit to the community? If not, what result can be expected and why?

The map change from MIC/H to LI is being considered primarily as the completion of the 32 acre 2007 rezone, rather than as an entirely new issue or as part of the 2011 MIC update. By approving the earlier rezone, the City Council indicated that the LI designation was appropriate for the general location.

Designating the property as LI expands its redevelopment options to become part of a future large project under a single owner, and away from the heaviest industrial use that is permitted exclusively in the MIC/H. LI allows supportive commercial and light industrial uses, and would provide a transition to commercial development that either already exists or is planned farther to the south. If the property were rezoned as LI and did not redevelop as part of a planned future project, a range of light industrial uses would be permitted, or an office use could be reestablished.

Redesignating and rezoning the site to Light Industrial (LI) makes it easier for the property to be included with a future redevelopment project in a large site at the north-eastern boundary of Tukwila. Any new construction will meet current standards, including landscaping and frontage improvements.

CONCLUSIONS

In reviewing Comprehensive Plan criteria, staff concludes that:

1. Comprehensive Plan:
 - The proposed change is consistent with the Comprehensive Plan goal for continued enhancement of the community's economic well-being.
 - Although the map change would remove .64 acres from the MIC/H zone, the rezone has the potential to contribute to the revitalization of E. Marginal South industrial activity by providing desired amenities for area workers through future redevelopment.
2. Impacts:
 - The map change is not likely to impact the long-run viability of industrial uses in Tukwila, given market forces and the way that the MIC/H zone is defined and implemented.
 - Traffic impacts will be addressed by impact and concurrency fees.
 - Project-specific impacts will be addressed at the time of redevelopment.
3. Public Need:
 - LI zoning facilitates the site's redevelopment with adjacent properties to provide additional revenue and employment-generating activities.
4. Community Benefit:
 - Redesignating and rezoning the site to Light Industrial (LI) presents the opportunity for its inclusion with a redevelopment project in a large site at a visible location.
 - Any new construction will meet current standards, including landscaping and frontage improvements.

RECOMMENDATION

Staff recommends approving the applicant's request for a Comprehensive Plan map change from Manufacturing Industrial Center-Heavy (MIC/H) to Light Industrial (LI).

File # L06-096 -- ZONING MAP AMENDMENT/REZONE**REZONE CRITERIA:**

- 1. The proposed amendment to the zoning map is consistent with the goals, objectives and policies of the Comprehensive Plan**

Per the discussion of Comprehensive Plan Criteria (above), redeveloping and reinvigorating the industrial uses along E. Marginal Way is one of Tukwila's key priorities, as is the continued enhancement of the community's economic well-being. The proposed rezone request from MIC/H to LI allows a broad range of uses, including light industrial and commercial, to support a varied and healthy economy for Tukwila. It is consistent with this priority and accompanying goals and policies.

- 2. The proposed amendment to the Zoning Map is consistent with the scope and purpose of this title and the description and purpose of the zone classification applied for.**

Per TMC 18.32.010 Purpose, the Light Industrial District is "...intended to provide areas characterized by distributive and light manufacturing uses, with supportive commercial and office uses."

The proposed rezone from Manufacturing Industrial Center-Light (MIC/L) to Light Industrial (LI) would fulfill this purpose by retaining the potential for distributive and light manufacturing uses, while allowing a range of commercial and office uses to be built. The LI zone designation is also most consistent with Seattle's Industrial Commercial (IC) zoning on adjacent property. Consistency between Tukwila and Seattle zoning will facilitate future development.

- 3. There are changed conditions since the previous zoning became effective to warrant the proposed amendment to the Zoning Map**

Since 2007, approximately 62 acres immediately adjacent to the subject property, including 32 acres in Tukwila, was rezoned from Manufacturing Industrial Center/Heavy (MIC/H) to Light Industrial (LI) to accommodate planned future mixed-use commercial redevelopment .

As discussed, the applicant had wanted to include the subject property in the original 2007 rezone, but did not own the parcel at that time. Having purchased the property, the applicant is proceeding with the Comprehensive Plan and zoning map changes so that the entire project has the same zoning. This will enable the owner to prepare for eventual large scale development that includes the subject property.

By approving the 2007 rezone, the City Council indicated that the LI designation was appropriate for the general location.

- 4. The proposed amendment to the Zoning Map will be in the interest of furtherance of the public health, safety, comfort, convenience and general welfare, and will not**

adversely affect the surrounding neighborhoods, nor be injurious to other properties in the vicinity in which the subject property is located

The rezone should balance between industrial and commercial land use and zoning without jeopardizing current and future development in the Manufacturing/Industrial Center or the Tukwila Urban Center. The rezone to LI allows a somewhat broader range of uses than the existing MIC/H. Future redevelopment can contribute to the vitality of the community through increased opportunities for employment, recreation, and shopping, and increased revenue to the City of Tukwila.

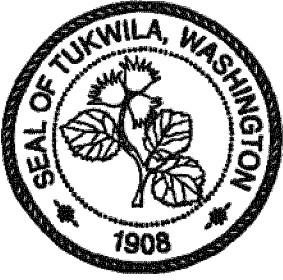
The rezone makes it easier for the property to be included in a future large scale redevelopment project. As part of a larger project, it would be likely to have additional review and public input. Future site development applications for SEPA and Design Review will address specific impacts such as traffic, airport (KCIA and FAA) requirements, and impacts on abutting property.

CONCLUSIONS

- 1) Consistency with Comprehensive Plan:
 - The rezone is consistent with the Comprehensive Plan policies to support industrial redevelopment and ensure economic vitality.
- 2) Consistency with Zone:
 - The Light Industrial retains potential for light industrial use, allows a range of commercial and office activity. It is compatible with zoning for the remainder of the proposed redevelopment area, and is compatible with adjacent Seattle zoning.
- 3) Changed conditions:
 - Changed conditions including the 2007 rezone of 32 acres in Tukwila to Light Industrial (LI) and the 2009 rezone of 30 acres in Seattle to IG, and the purchase of the property by the Sabey Company for inclusion with the large-scale future redevelopment with the warrant a rezone from Manufacturing/Industrial Center-Heavy (MIC-H) to Light Industrial (LI).
- 4) Benefit to community:
 - *The LI zoning has many features of the MIC/H zone, but allows a broader range of uses, and increases the likelihood that the property will be part of a larger redevelopment project anticipated for the adjoining Unified Grocers properties. rezone shall take into account the requirements of developing property adjacent to King County International Airport, including building height, noise impacts and landscaping.*

RECOMMENDATION

Staff recommends approval of a rezone from Manufacturing Industrial Center/Heavy (MIC/H) to Light Industrial (LI).



CITY OF TUKWILA

Department of Community Development
 6300 Southcenter Boulevard, Tukwila, WA 98188
 Telephone: (206) 431-3670 FAX (206) 431-3665
 E-mail: tukplan@ci.tukwila.wa.us

ZONING CODE AMENDMENTS

APPLICATION

FOR STAFF USE ONLY Permits Plus Type: P-ZCA

Planner: <u>Rebecca Fox</u>	File Number: <u>L11-002 (Rezone)</u>
Application Complete (Date: <u>1/20/11</u>)	Project File Number: <u>PL11-001</u>
Application Incomplete (Date:)	Other File Numbers: <u>L11-001 (Comp)</u>

NAME OF PROJECT/DEVELOPMENT: COMMUNITY BANK AT UNIFIED GROCER SITE

LOCATION OF PROJECT/DEVELOPMENT: *Give street address or, if vacant, indicate lot(s), block and subdivision, access street, and nearest intersection.*

10200 EAST MARGINAL WAY SOUTH, TUKWILA, WA 98168

LIST ALL TAX LOT NUMBERS (this information may be found on your tax statement).

042304-9184-04

DEVELOPMENT COORDINATOR :

The individual who:

- has decision making authority on behalf of the applicant in meetings with City staff,
- has full responsibility for identifying and satisfying all relevant and sometimes overlapping development standards, and
- is the primary contact with the City, to whom all notices and reports will be sent.

Name: Mikel Hansen

Address: 12201 Tukwila International Boulevard, Seattle, WA 98168

Phone: 206-277-5249

FAX: 206-282-9951

E-mail: mikelh@sabey.com

Michael Jensen *7/3/11*

A. COMPREHENSIVE PLAN DESIGNATION:

Existing: MIC/H

Proposed: CI

B. ZONING DESIGNATION:

Existing: MIC/H

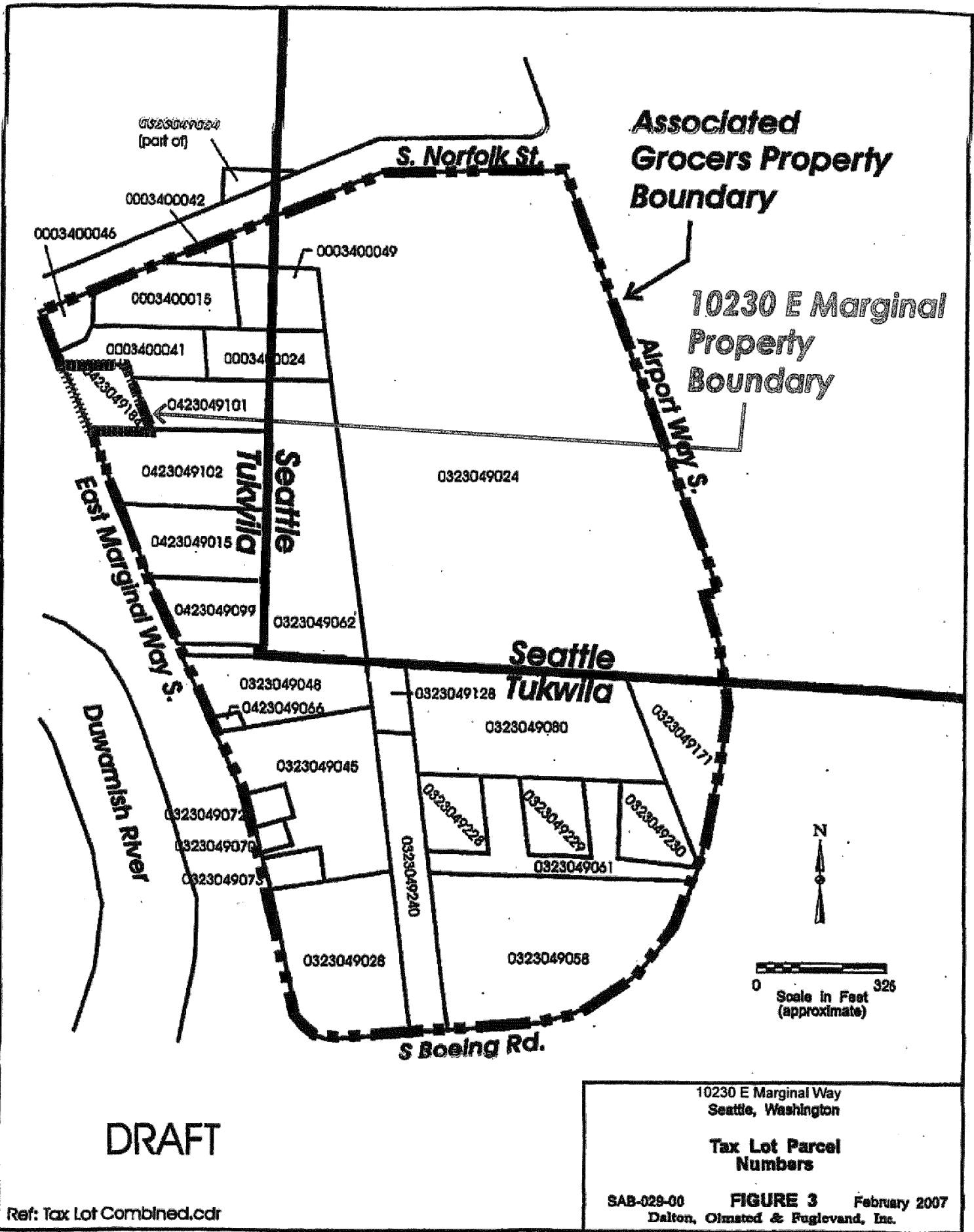
Proposed: CI (Light Industrial)

C. LAND USE(S):

Existing: MIC/H

Proposed: CI

(for proposed changes in land use designations or rezones)



N 1/4TH CORNER 4/3

SOUTH NORFOLK ST

SUBJECT PROPERTY
CITY OF TUKWILA
AREA = 27,907 SF

CITY OF SEATTLE
AREA = 1,265,135 SF

AIRPORT WAY SOUTH

EAST MARGINAL WAY

SECTION 4
SECTION 5

N LINE SE 1/4 SECTION 4

N LINE SW 1/4 SECTION 5

CITY OF TUKWILA
AREA = 1,438,912 SF

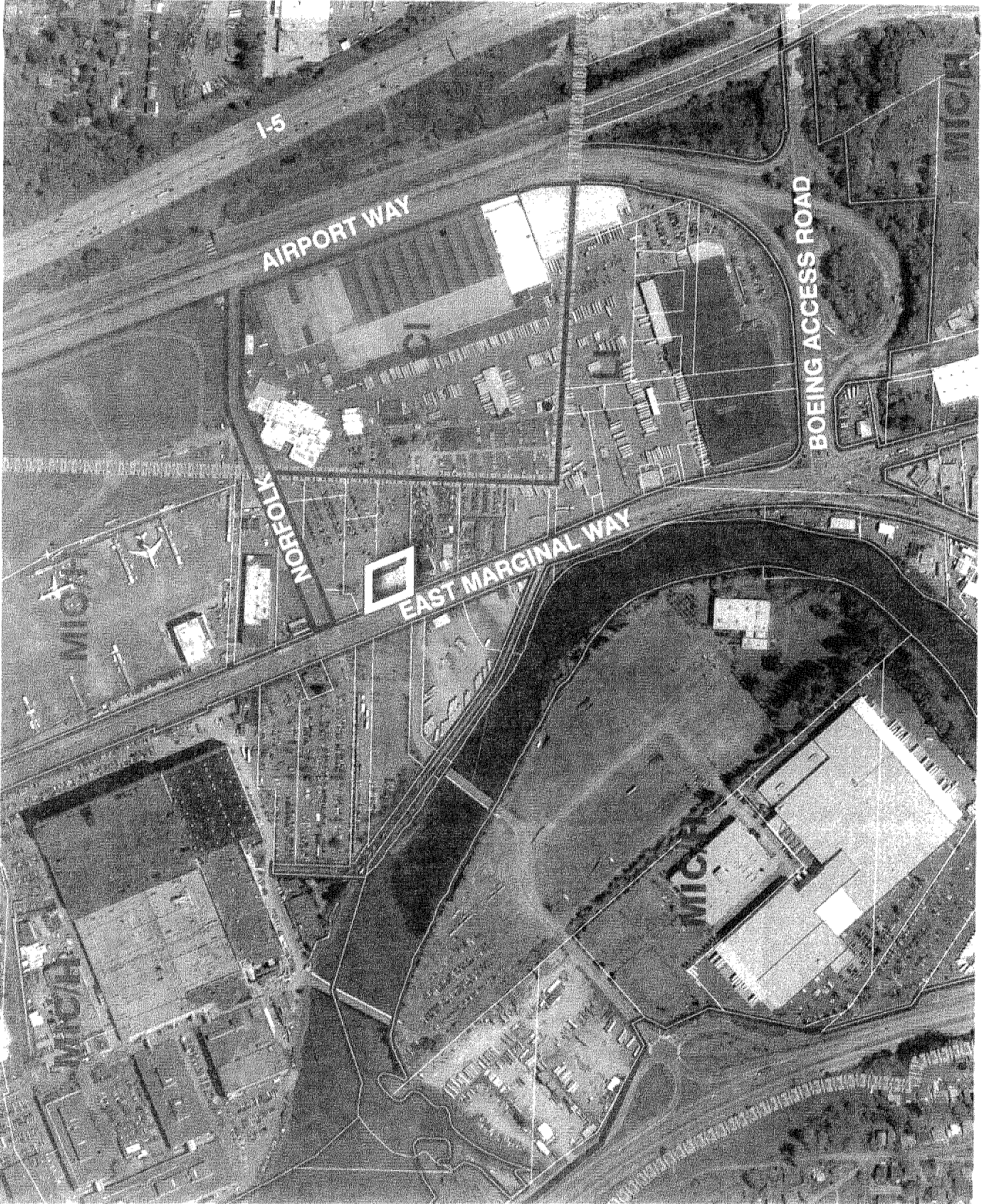
3301 NORFOLK ST. AND
10230 E MARGINAL WAY
SABEY PROPERTY
CITY OF TUKWILA AND
CITY OF SEATTLE ZONING AREAS
SCALE 1" = 250'

LEGEND:

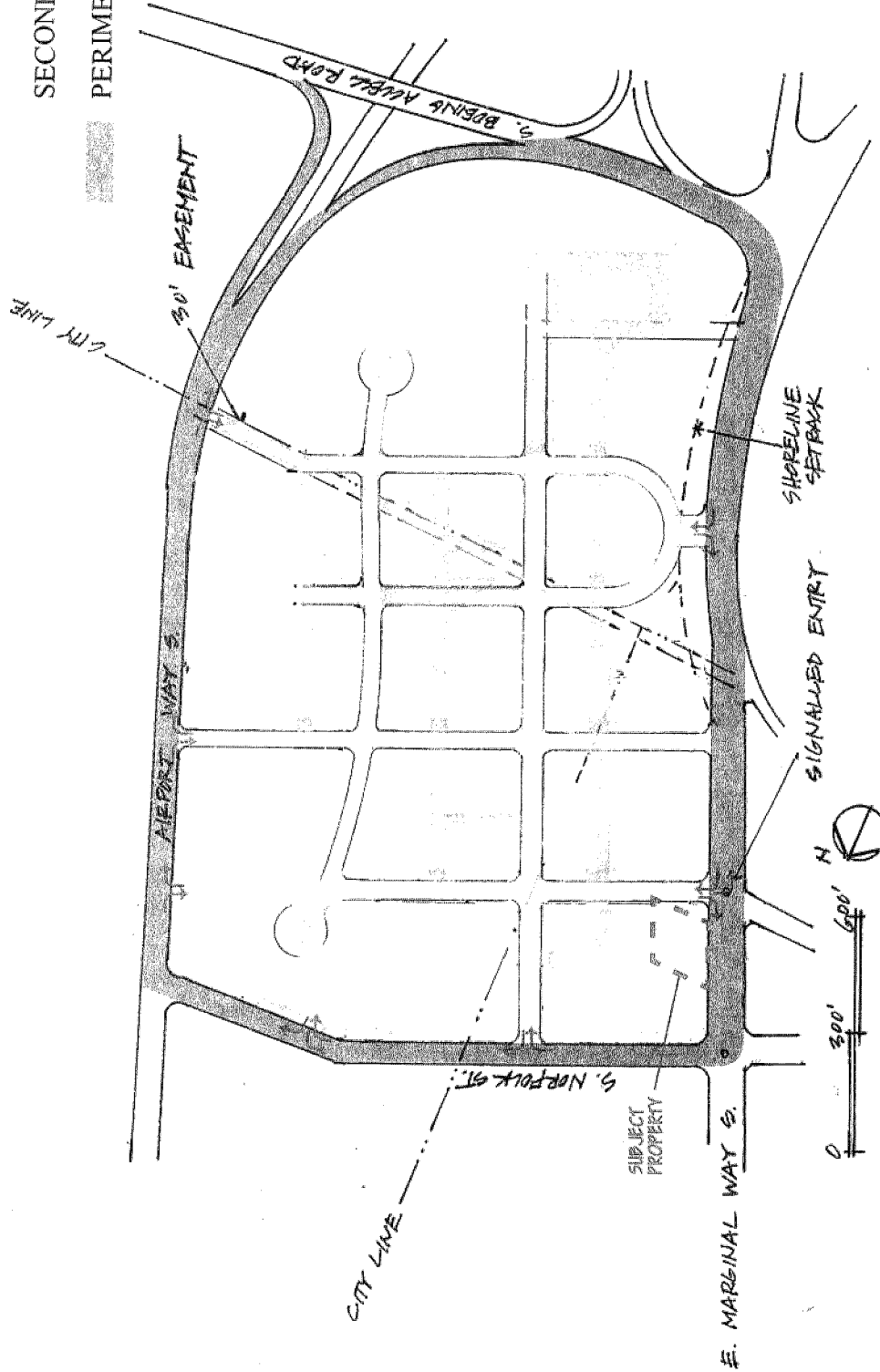
SUBJECT PROPERTY

ZONING DESIGNATION

TUKWILA/SEATTLE CITY LIMITS



PRIMARY CIRCULATION
 SECONDARY CIRCULATION
 PERIMETER CIRCULATION



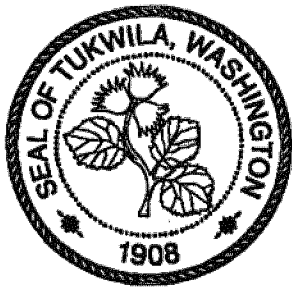
MIXED USE SCHEME*

OFFICE	700,000 SF
RETAIL	550,000 SF
HOTEL	80,000 SF
THEATER	60,000 SF
LT. INDUSTRIAL	100,000 SF

THIS IS A CONCEPTUAL SITE PLAN FOR A NON-PROJECT ACTION. INTERNAL CIRCULATION, BUILDING SIZE AND LOCATIONS, AND TYPE AND SQUARE FOOTAGE OF PROPOSED USES MAY VARY FROM THOSE SHOWN WITH DEVELOPMENT AND REVIEW OF PROJECT-LEVEL PLANS

8.8.2007
 FULLER SEARS
 CONCEPTUAL SITE PLAN
 SOUTH SEATTLE SITE
 SABEY CORP.

3. AFFIDAVIT OF OWNERSHIP



CITY OF TUKWILA

Department of Community Development
6300 Southcenter Boulevard, Tukwila, WA 98188
Telephone: (206) 431-3670 FAX (206) 431-3665
E-mail: tukplan@ci.tukwila.wa.us

**AFFIDAVIT OF OWNERSHIP AND HOLD HARMLESS
PERMISSION TO ENTER PROPERTY**

STATE OF WASHINGTON

ss

COUNTY OF KING

The undersigned being duly sworn and upon oath states as follows:

1. I am the current owner of the property which is the subject of this application.
2. All statements contained in the applications have been prepared by me or my agents and are true and correct to the best of my knowledge.
3. The application is being submitted with my knowledge and consent.
4. Owner grants the City, its employees, agents, engineers, contractors or other representatives the right to enter upon Owner's real property, located at 10200 East Marginal Way, Tukwila, WA 98168
for the purpose of application review, for the limited time necessary to complete that purpose.
5. Owner agrees to hold the City harmless for any loss or damage to persons or property occurring on the private property during the City's entry upon the property, unless the loss or damage is the result of the sole negligence of the City.
6. Non-responsiveness to a City information request for ninety (90) or more days, shall be cause to cancel the application(s) without refund of fees.

EXECUTED at 12201 Tukwila International Boulevard, Seattle, WA on January 3, 2011

Print Name: Mikel Hansen

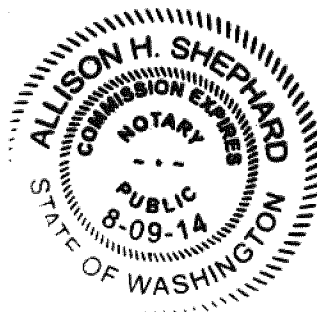
Address: 12201 Tukwila International Boulevard, Seattle, WA 98168

Phone Number: 206-277-5249

Signature _____

On this day personally appeared before me Mikel Hansen to me known to be the individual who executed the foregoing instrument and acknowledged that he signed the same as his voluntary act and deed for the uses and purposes mentioned therein.

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 3rd DAY OF January 2011



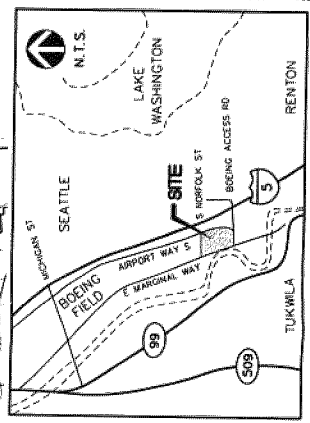
Allison H. Shephard
NOTARY PUBLIC in and for the State of Washington

residing at King County, WA

My Commission expires on 08/09/14

4. REDUCED SIZE PLANS

A PORTION OF THE W 1/2, SECTION 3 AND E 1/2, SECTION 4, T 23 N, R 4 E, WM



NOTES
 1. THIS IS A NON-PROJECT ACTION AND BUILDINGS ARE NOT CURRENTLY PROPOSED.

COMPREHENSIVE PLAN AMENDMENT AND REZONE SITE PLAN
 10230 E MARGINAL WAY
 SABEY PROPERTY
 SABEY CORPORATION
 TUKWILA, WASHINGTON
 Phone: 425.299.4099

DAVID EVANS AND ASSOCIATES INC.
 1920 W. Market Street, Suite 200
 Everett, Washington 98201
 Phone: 425.299.4099

REVISIONS: APPA
 DATE: JULY 2007
 DRAWN: JLM
 CHECKED: JLM
 PROJECT NUMBER: DIASC00000030
 PRINTING FILE: E:\M\0200\DIASC00000030
 SCALE: 1"=100'
 SHEET NO. C2

OF 2

5. APPLICATION FEE

**6. COMPREHENSIVE PLAN AMENDMENT + FEE
SUBMITTED CONCURRENTLY WITH
THIS APPLICATION**

**7. SEPA CHECKLIST WILL
BE SUBMITTED ON REFFERRAL
TO PLANNING COMMISSION**

8. NOT APPLICABLE

9. OTHER INFORMATION

SEE REPORT BY ECONORTHWEST SUBMITTED
WITH APPLICATION FOR COMPREHENSIVE
PLAN AMENDMENT

10. RESPONSE TO 18.84.030 CRITERIA

ZONING AMENDMENT CRITERIA
(TMC 18.84.030)

Zoning Amendment Criteria (TMC 18.84.030)

The application shall specify, in a format established by the property:

- 1. Is the proposed amendment to the zoning map consistent with the goals, objectives, and policies of the comprehensive plan?**

The proposal is consistent with goals and policies of the Tukwila Comprehensive Plan calling for the development of identifiable City boundaries. Goal 1.3 provides, "Identifiable boundaries for Tukwila so that residents, workers, and visitors know they are entering the City." Redevelopment of the property with LI uses will be subject to design review. This process will ensure that the property's function as a significant entry point to the City, as well as general quality design, will be considered.

- 2. Is the proposed amendment to the zoning map consistent with the scope and purpose of the Zoning Amendment Criteria (TMC 18.84.030) and the zone classification applied for?**

Yes. Please see zoning map changes that were made in 2007 in Tukwila and 2009 in Seattle to this site. This request will make the site a consistent zone.

- 3. Are there changed conditions since the previous zoning became effective to warrant the proposed amendment to the zoning map?**

Yes the entire 62 acres site has been rezoned. The 32 acres in Tukwila were rezoned in 2007 and the 30 acres in Seattle were rezoned in 2009.

- 4. Will the proposed amendment to the zoning map be in the interest of furtherance of the public health, safety, comfort, convenience, and general welfare of the community and not adversely affect the surrounding neighborhood?**

Yes. As discussed in detail in the Comprehensive Plan Application, the proposal will provide economic development, assist in creating an identifiable northern City boundary, aesthetic improvements, and transportation corridor improvements. These are all significant benefits to the community.

TUKWILA

SEATTLE

MIC/H

S Norfolk St

East Marginal Way

MIC/H to LI

MIC/H


LI

LI

Duwamish River



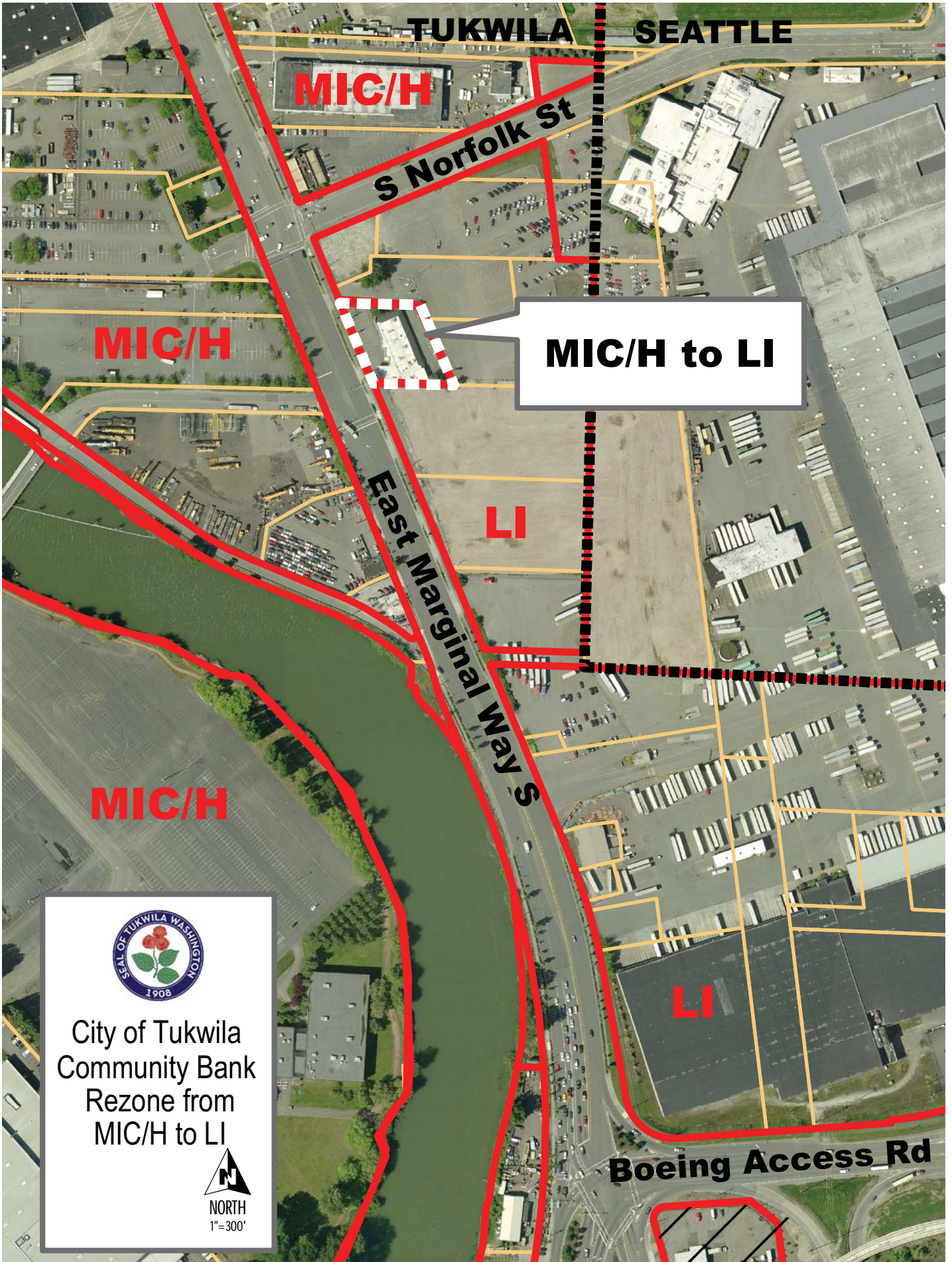
City of Tukwila
Comp Plan Amendment
L11-001
Rezone L11-002
Project File PL11-001

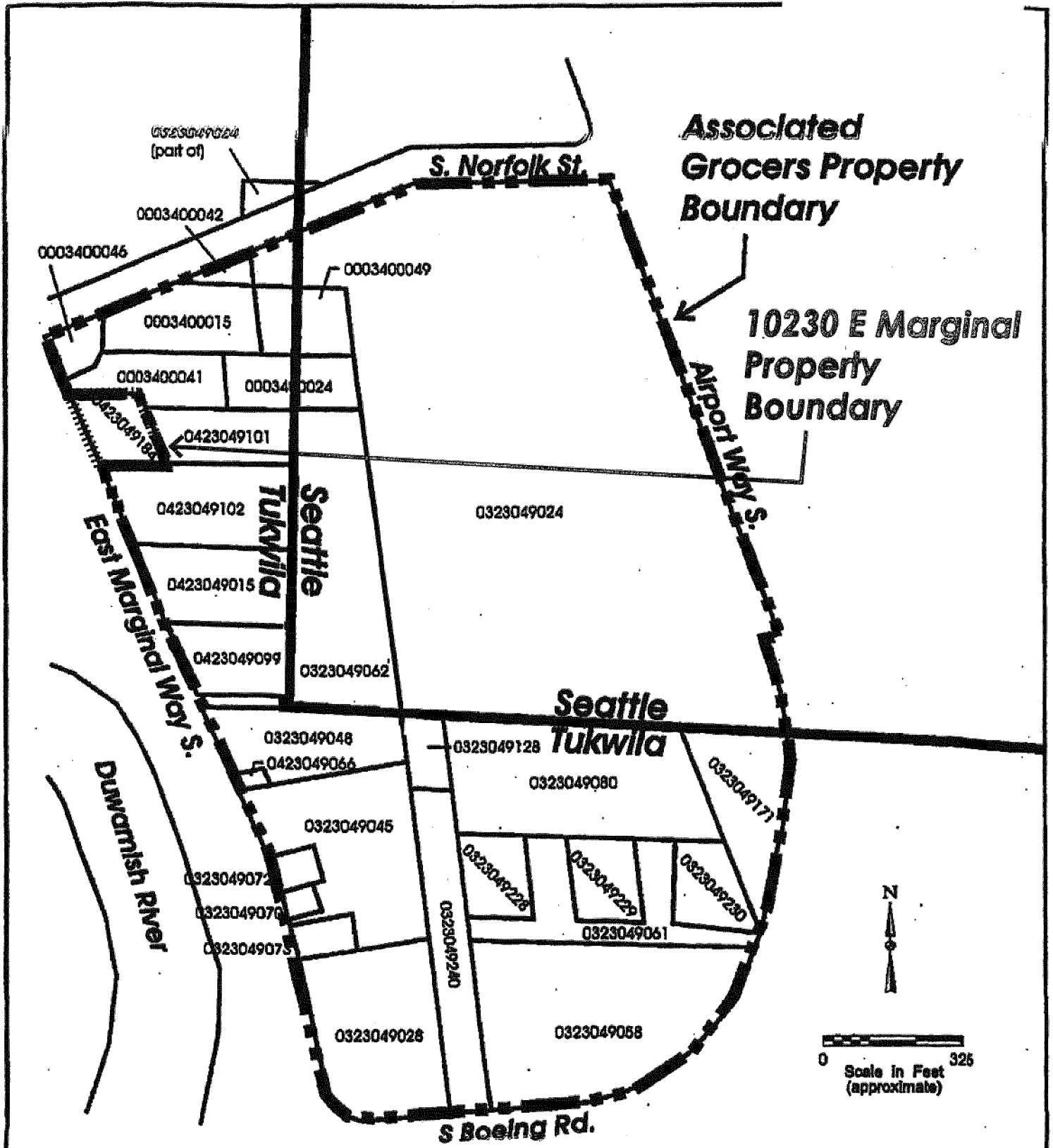
 Subject Property

 Zoning

 Tukwila City Limits







Ref: Tax Lot Combined.cdr

10230 E Marginal Way
Seattle, Washington

**Tax Lot Parcel
Numbers**

SAB-029-00 **FIGURE 3** February 2007
Dalton, Olmsted & Fuglevand, Inc.