





**TO:** Ray Stephanson, Mayor  
City Council

**FROM:** David Stalheim, Long Range Planning Manager

**DATE:** September 1, 2016

**RE:** Metro Everett Update

The following is a short progress report regarding the city's planning effort for Metro Everett. In this report, I will highlight significant actions being considered as part of this subarea planning process.

### **What is Metro Everett?**

Metro Everett is a diverse and large area, over one square mile, and includes the downtown business district, Everett Station area, portions of the Broadway corridor, and surrounding commercial and residential areas. For a map of Metro Everett, go to <https://everettwa.gov/DocumentCenter/View/5731>. Planning for Metro Everett was a commitment the City made to complete a subarea plan for the center after the 2015 update of the Comprehensive Plan.

### **What has been accomplished so far?**

City staff, with some consultant assistance, has been able to:

- Complete an economic market evaluation - <https://everettwa.gov/DocumentCenter/Home/View/6259>
- Create conversation threads (living, working, visiting, getting around, urban design) - <https://everettwa.gov/DocumentCenter/Home/View/6458>
- Prepare a livability profile - <https://everettwa.gov/DocumentCenter/Home/View/5833>
- Identified target redevelopment areas - <https://everettwa.gov/DocumentCenter/Home/View/6260>
- Conduct a community survey – <https://everettwa.gov/DocumentCenter/Home/View/6694>
- Hold a public open house - <https://everettwa.gov/DocumentCenter/Home/View/6493> and <https://everettwa.gov/DocumentCenter/Home/View/6460>

In the past two months, city staff has been working on some exciting actions that would be a catalyst for the area. These actions include:

- **Incentives** that may be necessary to “bend the trends”
- **Place making** at the west end of Hewitt Avenue
- **Station planning** for light rail in Everett Station area

This is the first opportunity that the public will have to see these draft proposals listed above. Over the next couple of months, we will get public input before moving the actions further along.

## **Development Incentives**

The city of Everett's 2035 growth targets accommodate very high growth assumptions of the Vision 2040 Regional Growth Strategy. The City committed to completing a Metro Center Plan that might "bend the trends" of historic development rates and densities. In addition, public input thus far has also shown that there is a desire for development that meets local community objectives.

The following goals have been identified that need either financial or development incentives to be achieved, particularly if quicker results are desired.

### **Incentive Goals:**

- Add 1,000 units of market-rate housing in Metro Everett in 7 years
- Increase the inventory of housing for low-income households
- Increase transit-oriented development and reduction of single-occupant vehicles (SOV)
- Increase employment in Metro Everett
- Create active, safe and clean Metro Everett

Our draft proposals to achieve these goals include:

- Expansion of existing city financial incentive programs
- New city financial incentives (or significant expansion of an existing program)
- New development incentives

The draft report on these goals and incentives is attached to this memo.

## **West End of Hewitt Avenue Place Making**

The western slopes of Metro Everett have enjoyed some robust development in the past ten years. The west end of Hewitt Avenue was identified as one of the target redevelopment areas due to a couple of factors:

- Limited investment in building improvements
- Extension of downtown and the Hewitt Historic District
- Connection to waterfront
- Site of the Everett Massacre 100 years ago

City staff has worked with our consultant (Makers) to prepare a concept plan that improves this area.

The concept plan (attached) focuses on achieving the following objectives:

- Extension of the Hewitt Avenue streetscape (west of Rucker)
- Creation of Hewitt Plaza at railroad to commemorate historic event (massacre), provide view of marine terminal area and to create a plaza extension for adjacent businesses
- Improvement/creation of pedestrian and bicycle paths to access waterfront to address, at least temporarily, the at-grade crossing closures by BNSF

### Station Planning for Light Rail at Everett Station

The high growth targets in the City's Comprehensive Plan could only be realized if light rail reaches Everett. The plan assumed that the City would adopt station area plans for land use, housing and transportation needs for the area surrounding each light rail station.

Over the past couple of months, city planners, transit planners, engineers and others have brainstormed on plans for the light rail station that would serve Metro Everett. During those discussions, we achieved consensus around the following guiding principles:

- **Best Metro Location**. The Light Rail Station in Metro Everett should be placed to serve both downtown and Everett Station area.
- **Bus-to-Light Rail Transfers**. Bus to light rail connections happen at the new Light Rail Station, focusing on the inbound bus routes. This will take place through new bus-only routes down McDougall and improved stops on Pacific.
- **Bus-to-Bus Transfers**. Everett Station will continue to serve as the bus-to-bus transfer facility, as well as layover for drivers and equipment.
- **Improve Walkability**. The walkability from the Light Rail Station and Everett Station needs improvement. This would take place through a pedestrian overpass across Broadway and by enhancing the pedestrian connections between the Light Rail Station and Everett Station via 32nd Street.
- **Regional Commuters**. Everett's goal for transit-oriented development would not benefit from having our metro area become a parking lot for regional commuters. Additional parking supply should be limited, and it should be located east of the railroad and south of Pacific Avenue on the Sound Transit site.

Based on the above guiding principles, a concept plan for the Metro Light Rail station has been developed (attached). Key features include:

- **Light rail station platform**. Proposed between Broadway and McDougall at Pacific Avenue, this location will be visually and physically accessible to downtown and Everett Station.
- **Pacific Avenue Bridge and McDougall Undercrossing**. The bridge on Pacific Avenue over the railroad would be extended to Broadway. This will allow an undercrossing at McDougall to serve as a transit route for the new light rail station platform.
- **Transit access**. Local and regional transit routes would serve the light rail platform and continue to use Everett Station for bus-to-bus transfers.
- **Streetscape Improvements**. Streetscape improvements along 32<sup>nd</sup> Street, along with a consistent grade along Pacific, will enable light rail passengers able to walk or bike get to Everett Station or a parking garage. Frequent bus service will also enable physically challenged persons to make a trip with that assistance.
- **Broadway Crossing**. A pedestrian overpass across Broadway is envisioned for safety and convenience. This overpass might be extended from the light rail tail track.

- **Parking.** The light rail station should be served primarily through enhanced transit service feeding from outlying regions. To reduce congestion and to encourage transit-oriented development, the parking structure for the light rail station and bus transfer is proposed for the east side of the railroad.

### **Other Metro Everett Actions**

Several other actions are being prepared for Metro Everett. Some of the highlights include:

- Coordination with Everett Station District Alliance
- Review and amendment of development regulations
- Support for sustainable design and reduced energy consumption
- Improved way finding and interpretive signage
- Continued streetscape, pedestrian and bicycle improvements
- Parking management strategy for Metro Everett

### **Schedule**

We do not have a specific date targeted for adoption of the Metro Everett Subarea Plan, though we are confident it will be in 2017. The timing will be dependent in part on how extensive the revisions are for our land use regulations. These have not yet been drafted or discussed with the Planning Commission. We will be developing some alternative approaches to land use regulations for discussion with the Planning Commission before we know the extent of potential code changes.

If you have any questions, please feel free to contact me at [dstalheim@everettwa.gov](mailto:dstalheim@everettwa.gov) or call 425-257-8736.

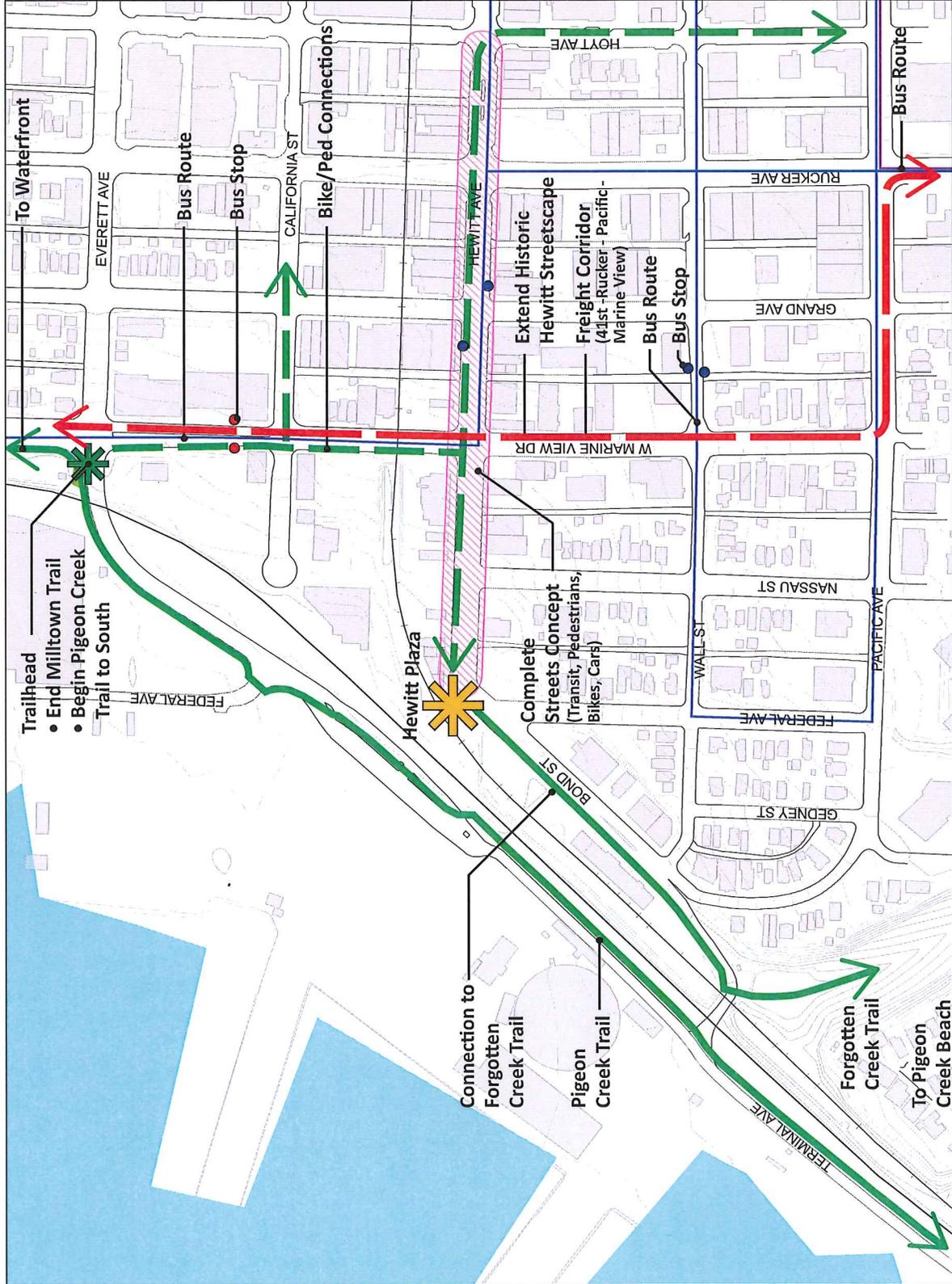
### **Attachments:**

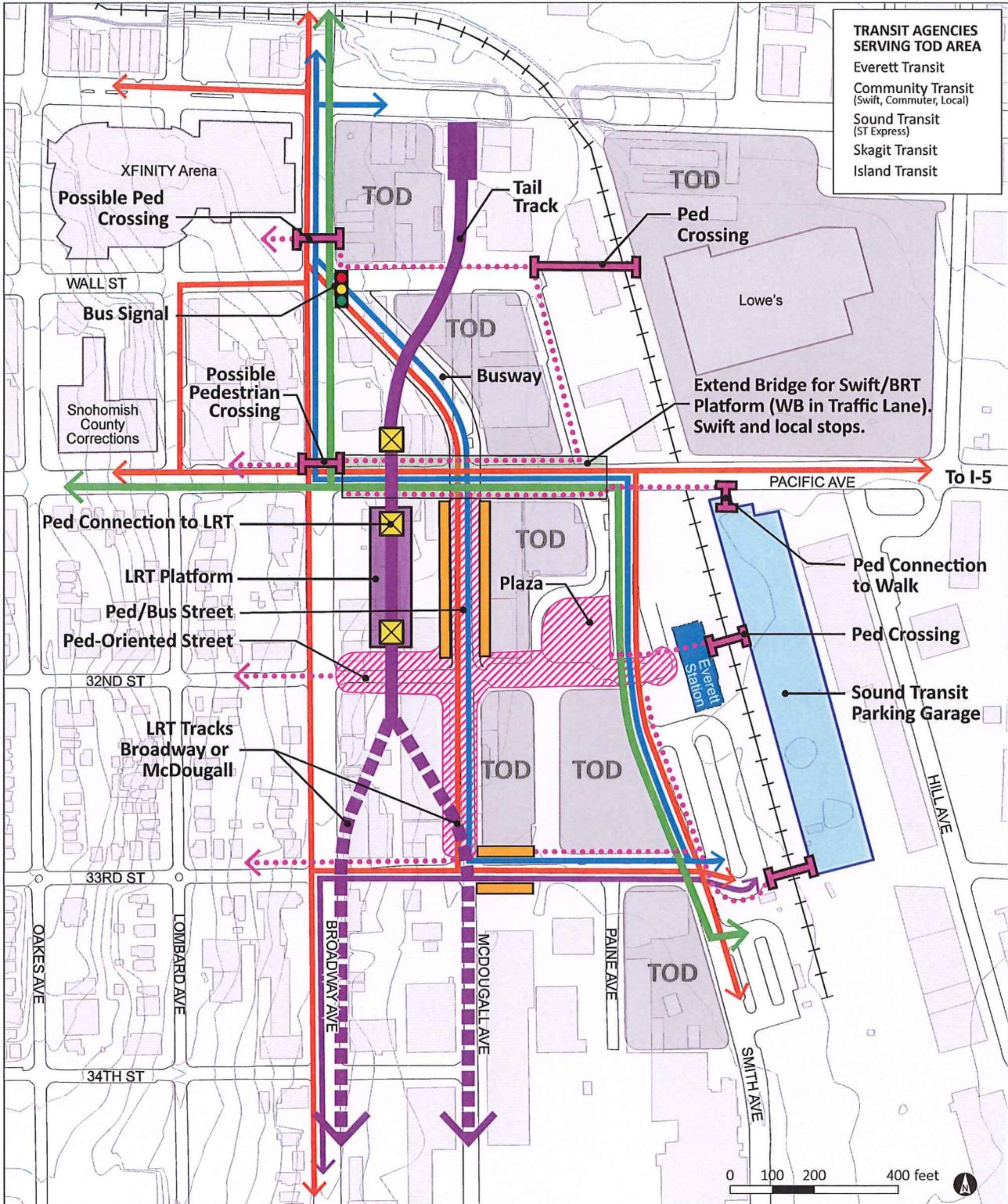
- Incentives for Metro Everett (Draft)
- West Hewitt Avenue Area Concept Plan (Draft)
- Metro Everett LRT Concept (Draft)

# WEST HEWITT AREA CONCEPT PLAN (DRAFT)

Metro Everett  
August 10, 2016

-  Freight Corridor
-  Existing Trail
-  Bike/Ped Connections
-  Everett Transit
-  SWIFT route
-  Complete Street Concept





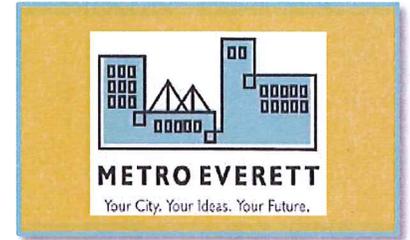
- TRANSIT AGENCIES SERVING TOD AREA**
- Everett Transit
  - Community Transit (Swift, Commuter, Local)
  - Sound Transit (ST Express)
  - Skagit Transit
  - Island Transit

- Sound Transit Light Rail
- Sound Transit Route
- Everett Transit Route
- Community Transit Route
- SWIFT Route
- Bus Stops/Platforms
- Pedestrian Oriented Area
- Pedestrian Circulation
- Pedestrian Overpass
- Vertical Circulation
- LRT Platform
- SWIFT Platform

**METRO EVERETT  
LRT CONCEPT  
(DRAFT)**

City of Everett  
August 29, 2016

# Incentives



## **Overview**

The city of Everett's 2035 growth targets accommodate very high growth assumptions of the Vision 2040 Regional Growth Strategy. While the City believes it is unlikely that all of the factors and actions needed to support the high levels growth will be realized in Everett, the City committed to completing a Metro Center Plan that might "bend the trends" of historic development rates and densities.

In addition to the City's goal to bend the trends, public input thus far has also shown that there is a desire for development that meets local community objectives.

## **What We Want or Need**

The City has identified the following Metro goals that need incentives (financial or development) to be achieved, particularly if quicker results are desired.



### **ADD 1,000 UNITS OF MARKET-RATE HOUSING IN METRO EVERETT IN 7 YEARS**

Over the past 20-years, approximately 1,000 units were added in the metro area. This housing has been a welcome addition and is being quickly absorbed by the market. However, the area has not grown nearly as fast as some "hot" centers elsewhere in Puget Sound. Additional market-rate housing, provided at a quicker pace, will have a significant benefit to the business community and cultural arts that will grow to support the residential component.

**Incentives needed:** The primary incentive needed is **financial**. The cost of construction has risen dramatically in the Puget Sound market (including Everett), but market rents in Everett are high enough to make construction of new housing financially viable. Financial incentives could include:

- Expansion of the **multifamily tax exemption** (MFTE) program to all of Metro Everett
- Reducing **transportation impact fees** for development in Metro Everett (currently limited to B3 zone)
- Expand **impact fee deferral system** (currently limited to single family homes) to high density (7 or more stories) mixed use development
- Reduce or subsidize **utility connection charges** in Metro Everett

While downtown and Everett Station already have significant **development incentives**, additional incentives are likely needed to bend the trends, such as:

- **Reduced parking**, in exchange for ways to measurably reduce vehicle trips

- Higher **density, heights** and **floor area ratios** in Metro Everett
- Greater flexibility or alternatives for **on-site recreation and open space** for multi-family development



### **INCREASE THE INVENTORY OF HOUSING FOR LOW-INCOME HOUSEHOLDS**

At the direction of Mayor Stephanson, the City convened a task force in July 2014 to focus on street-level social issues and develop recommendations. A successful response to these issues requires a coordinated response from many parties. One of those needs is to increase the supply of shelter and permanent housing for low-income households.

*Incentives needed:* It costs just as much, and often more, to build housing units for low-income households. The obvious difference is that low-income households cannot afford market rents. A low-income housing project must find ways to reduce or subsidize construction costs and/or operating costs to make rents affordable. The primary incentive needed is also **financial**. Financial incentives could include:

- Expansion of the **multifamily tax exemption** (MFTE) program to all of Metro Everett (12-year program for low-income)
- Expanding the 80% reduction of impact fees program to include **utility connection charges**
- Pursue **grant** and **new funding** opportunities, such as:
  - Low-income **housing levy**
  - **Regional Equitable Development Initiative** (REDI) fund



### **INCREASE TRANSIT-ORIENTED DEVELOPMENT AND REDUCTION IN SINGLE-OCCUPANT VEHICLES (SOV)**

The City's vision for the past twenty years – and the next twenty, is to create transit oriented mixed use commercial and residential activity centers. Metro Everett has excellent regional and local transit serving the center, and expansion of light rail is on the fall ballot. Making the metro area an attractive place to live, work and visit requires the City to reduce automobile congestion, improve the visual appearance of surface parking lots, and make the area more conducive to pedestrians, bikes and public transit.

*Incentives needed:* The primary incentives are focused on **development regulations**. These incentives should reduce costs to the developer, but are not a direct financial incentive that the City would need to provide:

- Provide significantly **reduced parking** in exchange for efforts that will measurably reduce vehicle trips
- Higher **density, heights** and **floor area ratios** in Metro Everett

- Greater flexibility or alternatives for **on-site recreation and open space** for multi-family development

The City should also continue to invest in transit improvements, streetscape, bike routes, and an improved pedestrian path from Everett Station to downtown. These public investments are seen as an incentive to private development by making the area more livable and employment friendly.



### **INCREASE EMPLOYMENT IN METRO EVERETT**

Creating a healthy metro area requires a healthy mix of housing, attractions and people. While the area is a significant employment hub, the City can capitalize on our identity as a manufacturing center to attract a new generation of “makers” to Metro Everett. In addition, the City can capitalize on lower housing costs and quality of life to attract office and other employment opportunities to the area.

*Incentives needed:* The primary incentive is **financial**. Currently, the City provides a business and occupation tax incentive for those that employ fifty (50) or more full time employees. This scale of business precludes most businesses that would locate in the metro area, and is not supportive of small business which provides 55% of all jobs.

- Expand **new job tax credit** program for those businesses that create ten (10) or more new full-time employment positions in Metro Everett
- Expand **impact fee deferral system** (currently limited to single family homes) to high density (7 or more stories) mixed use development



### **CREATE ACTIVE, SAFE AND CLEAN METRO EVERETT**

Creating an active, safe and clean city is the key to a renewed Metro Everett. There is a very important connection between “place making” – planning and building high-quality, walkable, urban environments – talent attraction, and long term economic development. Community input indicates that the City is on the right track, but yet many buildings remain vacant, underutilized and considered blight.

*Incentives needed:* Both financial and development incentives are needed. The following are **financial** incentives:

- Review ways to increase **1% for art** contributions by eliminating some project exemptions outlined in EMC 2.95.030.A.2
- Create **low-interest loans** for façade improvements and historic preservation
- Pursue designation of **Community Renewal Area** (CRA) to address blighted areas

- Improve **pedestrian path** from Everett Station to downtown with grant funding, city capital funds and other sources
- Pursue **grant opportunities** for placemaking, transportation improvements, events, brownfields, etc.

The following are development incentives to consider:

- Allow higher **density, heights** and **floor area ratios** in Metro Everett in exchange for public amenities provided by development
- Provide significantly **reduced parking** in exchange for efforts that will measurably reduce vehicle trips

***Incentive Program Summary***

*Expansion of Existing City Financial Incentives:*

The following financial incentive programs would be expanded. Some programs would defer or delay fee collection, while others would reduce the amount of fees or taxes collected.

Program	Revenue Deferred or Reduced?
○ Expansion of the <b>multifamily tax exemption</b> (MFTE) program to all of Metro Everett	Deferred
○ Reduce <b>transportation impact fees</b> for development in Metro Everett (currently limited to B3 zone)	Reduced
○ Expand <b>impact fee deferral system</b> (currently limited to single family homes) to high density (7 or more stories) mixed use development	Deferred
○ Expand the 80% reduction of impact fees for very low-income housing program to include <b>utility connection charges</b>	Reduced
○ Expand <b>new job tax credit</b> program for those businesses that create ten (10) or more new full-time employment positions in Metro Everett	Reduced

*New City Financial Incentives:*

The following financial incentive programs are either new or a significant expansion of an existing program.

Program	Revenue Note
○ Reduce or subsidize <b>utility connection charges</b> in Metro Everett (potential general fund subsidy)	General fund subsidy?

Program	Revenue Note
<ul style="list-style-type: none"> <li>○ Review ways to increase <b>1% for art</b> contributions by eliminating some project exemptions outlined in EMC 2.95.030.A.2</li> </ul>	Potential increased cost to city utilities and transportation projects
<ul style="list-style-type: none"> <li>○ Create <b>low-interest loans</b> for façade improvements and historic preservation</li> </ul>	Could be CDBG
<ul style="list-style-type: none"> <li>○ Pursue designation of <b>Community Renewal Area (CRA)</b> to address blighted areas</li> </ul>	No increased funding source, but staff intensive
<ul style="list-style-type: none"> <li>○ Pursue <b>grant funding</b> and allocate <b>city capital funds</b> for improvement of a <b>pedestrian path</b> linking Everett Station to downtown</li> </ul>	Long-term O & M
<ul style="list-style-type: none"> <li>○ Pursue <b>grant</b> and <b>new funding</b> opportunities for low-income housing:                             <ul style="list-style-type: none"> <li>▪ Low-income <b>housing levy</b></li> <li>▪ <b>Regional Equitable Development Initiative (REDI)</b> fund</li> </ul> </li> </ul>	New revenue (voter-approved) for levy; REDI fund would require repayment

***New Development Incentives:***

The following development incentive programs build on existing programs in the city's zoning code.

- Provide significantly **reduced parking** in exchange for efforts that will measurably reduce vehicle trips
- Allow higher **density, heights** and **floor area ratios** in Metro Everett in exchange for public benefits
- Greater flexibility or alternatives for **on-site recreation and open space** for multi-family development