COMPREHENSIVE LAND USE PLAN

TUKWILA SOUTH ELEMENT BACKGROUND MEMO

2014 GROWTH MANAGEMENT ACT

UPDATE to the COMPREHENSIVE PLAN

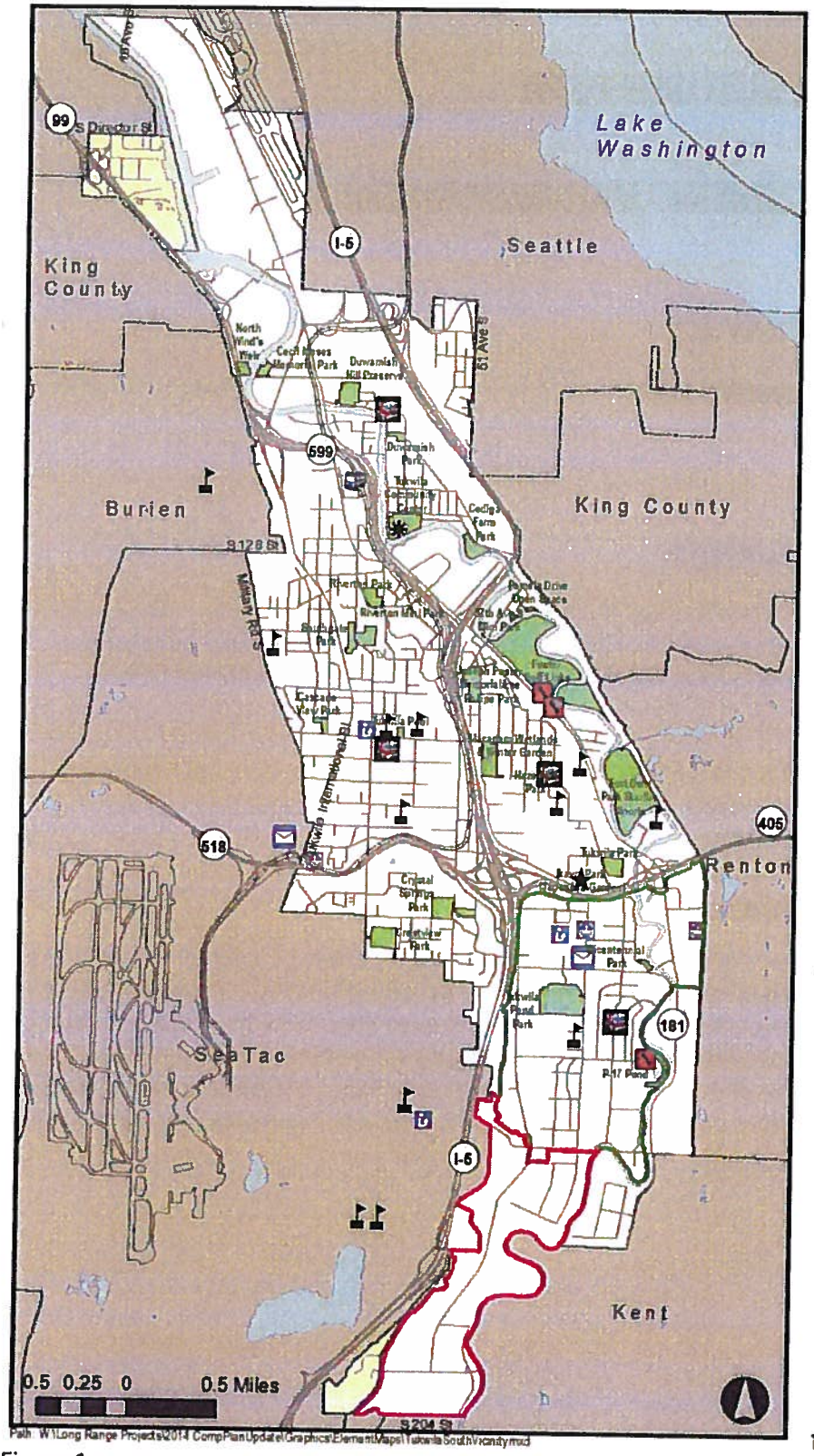
I. Background Information

In 2010 the City of Tukwila completed its long standing goal of annexing Tukwila South. Tukwila South is just over 500 acres in size and represents one of the largest undeveloped greenfields in the Seattle metropolitan area. For comparison's sake, Tukwila South is larger than either South Lake Union or downtown Bellevue.

Tukwila South is generally located South of 180th Street and extends to the City's southern limits (Figure 2). The area has no strong neighborhood identity at present, and is currently occupied by industrial, agricultural, office, and residential uses.

A. Rationale for Revised Element

As part of the "Tukwila Tomorrow Committee" work in developing the 1995 Comprehensive Plan, the City of Tukwila completed an in-depth Background Report for Tukwila South. The 1994 report examined many of the key issues for the area and was the basis for the current Tukwila South Element. In light of significant progress that has been made in achieving the shared vision of the City and Segale Properties, LLC regarding Tukwila South since 2004, the current Comprehensive Plan is outdated. Staff has prepared a new element to reflect the actions of the City over the last ten years, and to express its ongoing vision for the area.



Tukwila South Plan Area

Legend

- Tukwila South Area
- Southcenter Plan Area
- City Hall, Police, Court
- School
- City Maintenance Facility
- Community Center
- Fire Station
- King County Library
- Metro South Base
- Transit Center
- Post Office
- Annexation

Figure 1

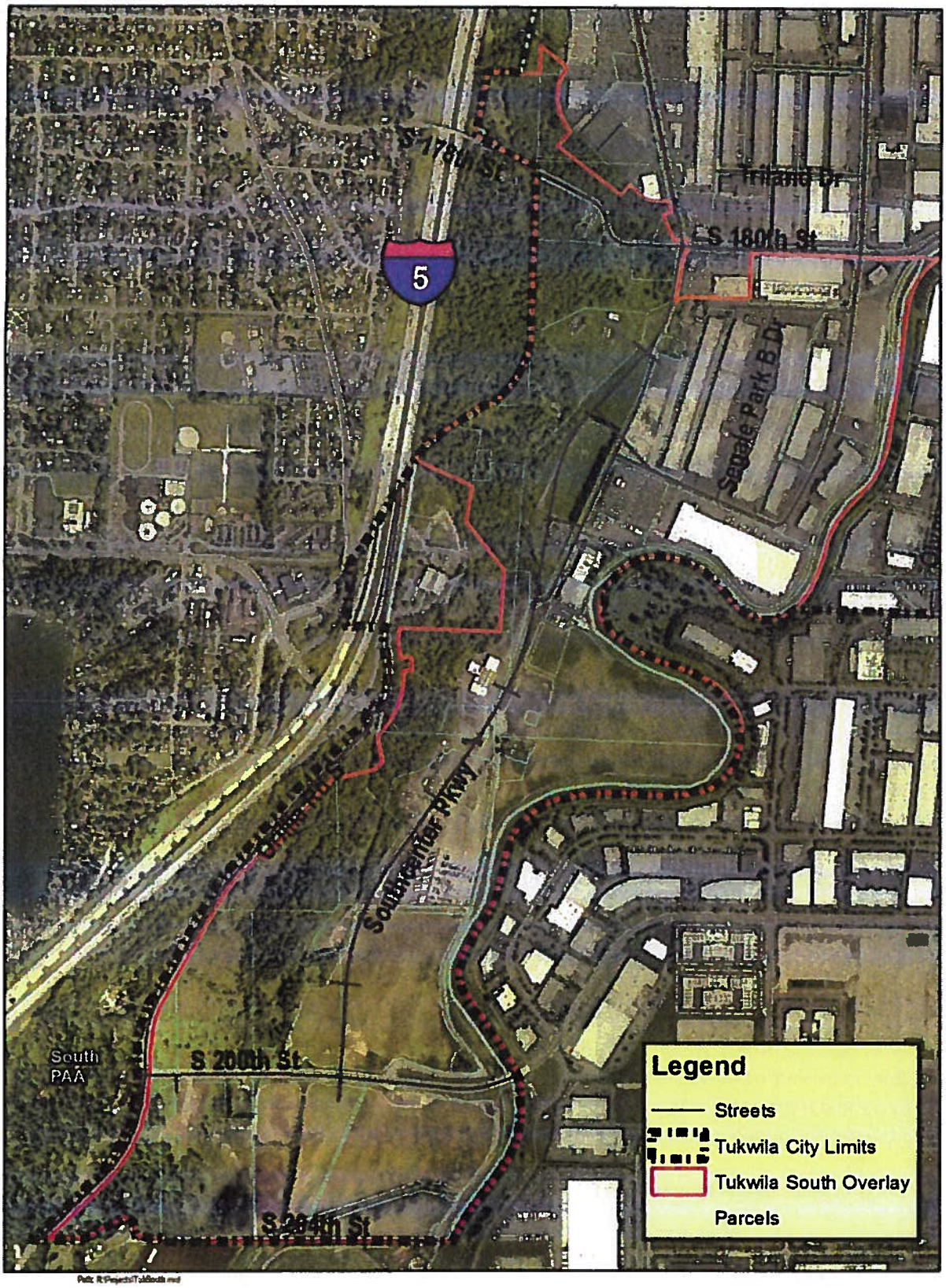

S 178th St
Triland Dr
S 180th St
5
Seagate Park B Dr
Southcenter PKWY
South
PAA
S 200th St
S 204th St
Legend
Streets
Tukwila City Limits
Tukwila South Overlay
Parcels

Figure 2

B. Planning History and Entitlement Background

i. Development Agreement

The City's current Comprehensive Plan calls for development in Tukwila South to occur in a coordinated manner. In 2009, to assist in developing t the area in a coordinated manner, the City of Tukwila and Segale Properties, LLC[1] executed a Development Agreement (DA) for Tukwila South.

Segale Properties, LLC owns over 500 acres in Tukwila south and according to the Ordinance that adopted the DA:

" [Segale] Intends to develop the Tukwila South Property consistent with the Tukwila South Master Plan ("Master Plan"). The Master Plan envisions the creation of a major new employment and housing base on the Tukwila South Property. The plan calls for approximately ten million square feet of development that would be accommodated in a combination of a campus style research and office environments with a mix of other supporting uses such as retail, residential, commercial, hotel and flex tech ("Tukwila South Project"). The Tukwila South Project will use the topographic and environmental constraints of the site to define the limits of its development area. The Tukwila South Project includes the extension of Southcenter Parkway in an alignment along the west edge of the valley floor; thus, functioning as the major transportation arterial through the site. The Tukwila South Project will also contain an integrated, internal circulation system of streets, sidewalks and pedestrian connections."

There have been subsequent addenda and amendments to the DA.

Master Plan

Policy 9.1.3 of the City's current Comprehensive Plan element regarding Tukwila South encourages that a master plan be completed before any significant land altering occurs in Tukwila South. Furthermore, as outlined in TMC 18.41.010, the City Council may modify the development regulations without the need to change the underlying zoning.

On June 8, 2009, the City of Tukwila adopted Ordinance 2234, which approved a Master Plan for Tukwila South defining defined the vision, goals, and objectives for the largely-vacant, mostly single-owner area. As was discussed in the Master Plan:

"With nearly 500 acres of land five minutes from SeaTac Airport and adjacent I-5, the Tukwila South project site is the largest private development parcel in the greater Seattle area. Properly planned and implemented, the project will provide 25,000 new jobs and join the University of Washington, Microsoft and Boeing Everett as the region's fourth major, "non-Central Business District" employment center. It will become a major new urban node in the region and provide significant benefits to the City of Tukwila and improve the quality of life of its residents."

The ten principles of the Master Plan are:

Principle #1: Long Term Vision.
The development of Tukwila South will be guided by a long-term vision that will create a different, more cohesive development pattern than if the property was developed on a parcel-by parcel-basis.

[1] The Development Agreement was entered into with La Pianta, LLC, which was the predecessor entity to Segale Properties, LLC.

Principle #2: Creating a Destination
Tukwila South will become a regional destination.

Principle #3: Building Value
Development decisions will be weighed by their ability to maximize the site's potential to create value.

Principle #4: Multi-Use
Tukwila South will include employment, goods and services, and housing. The project will be multi-use and include a wide range of businesses instead of focusing on industrial retail users. Residential is also being considered to bring additional vitality to the area.

Principle #5: Increasing Density over Time
Tukwila South will be planned to accommodate increased density over time.

Principle #6: Quality of Environment
Tukwila South will create a memorable and regionally identifiable place.

Principle #7: Connections
Tukwila South will connect externally to neighboring and regional assets, as well as internally by connecting its districts and other uses. This principle goes on to discuss the need to provide pedestrian connections throughout the project.

Principle #8: Amenities
Tukwila South will create a comprehensive amenities system that leverages the site's assets.

Principle #9: Implementation Strategy
Development must be strategically phased to successfully transition Tukwila South from agricultural and industrial property to an urban destination.

Principle #10: Environmental Stewardship
Tukwila South will be developed in a manner that preserves, protects, and restores the natural features of the area.

Sensitive Areas Master Plan (SAMP)
To facilitate development of the Tukwila South Project, the City approved a Sensitive Areas Master Plan under City of Tukwila project file number L10-014. The SAMP allowed Segale to develop an area-wide plan for alteration and mitigation of sensitive areas that results in improvements to water quality, fish and wildlife habitat and hydrology beyond those that would occur through the strict application of the provisions of TMC 18.45, the City's sensitive areas regulations. The sensitive areas and their corresponding buffers identified as "Native Growth Protection Areas" will be permanently protected with easements recorded against such property. The Native Growth Protection areas are called Sensitive Area Tracts on the proposed plat. Mitigation work in Wetland 10 and 11 has been completed. Also, Johnson Creek has been relocated. This work is under the monitoring period. Off-site channel work is still under construction.

Grading Permit

On April 29, 2011, the City issued a grading permit (PW10-064) to Segale Properties, LLC for mass grading of the Tukwila South project area[2]. The purpose of the grading permit was to prepare the area for future development in accordance with the approved Master Plan and Development Agreement. The applicant is still in the process of completing the work outlined in the approved grading plan.

State Environmental Policy Act (SEPA)

In 2005, the City of Tukwila issued a Final Environmental Impact Statement (FEIS) under SEPA for future building out of Tukwila South. The Tukwila South FEIS analyzed the potential impacts associated with the build out (including re-development of the existing Segale Business Park), assuming full build-out of 10.3 million square feet of various uses.

As part of this preliminary subdivision application the applicant submitted a SEPA checklist in order to extend a utility through a sensitive area. City staff determined that a new SEPA checklist was not needed and instead issued an addendum on December 14, 2012 for the proposed work.

Shoreline Substantial Development Permit

In conjunction with the above grading permit, the City of Tukwila issued a shoreline substantial development permit (L10-025) for grading within 200 feet of the Ordinary High Water Mark (OHWM) and to modify an existing flood levee. Like the grading permit, the shoreline substantial development permit was to prepare for the future development of the Tukwila South area in accordance with the approved Master Plan and Development Agreement.

Preliminary Subdivision

In 2013, the City's Hearing Examiner approved a preliminary 47-plat for Tukwila South. The plat will allow lots to be leased on an individual basis. Under State Law, Segale Properties has seven years to seek final plat approval from the City.

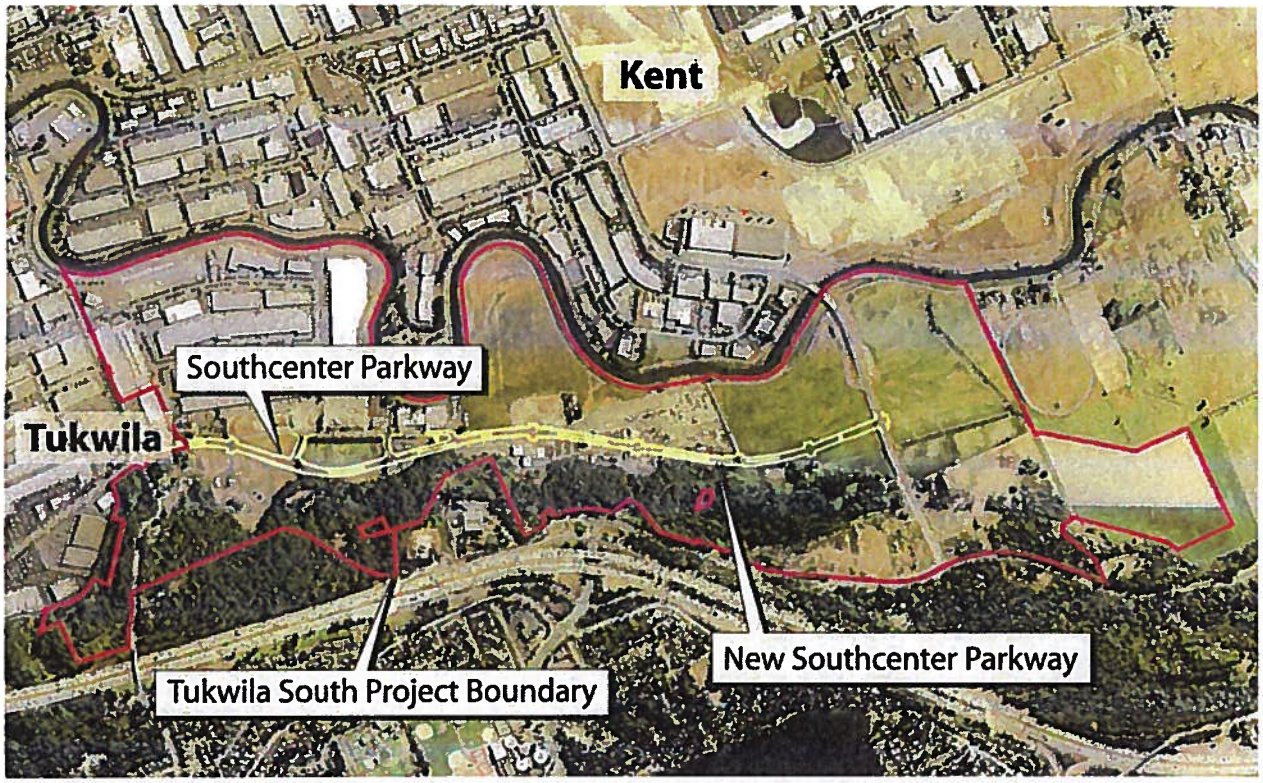
II. Issues Summary

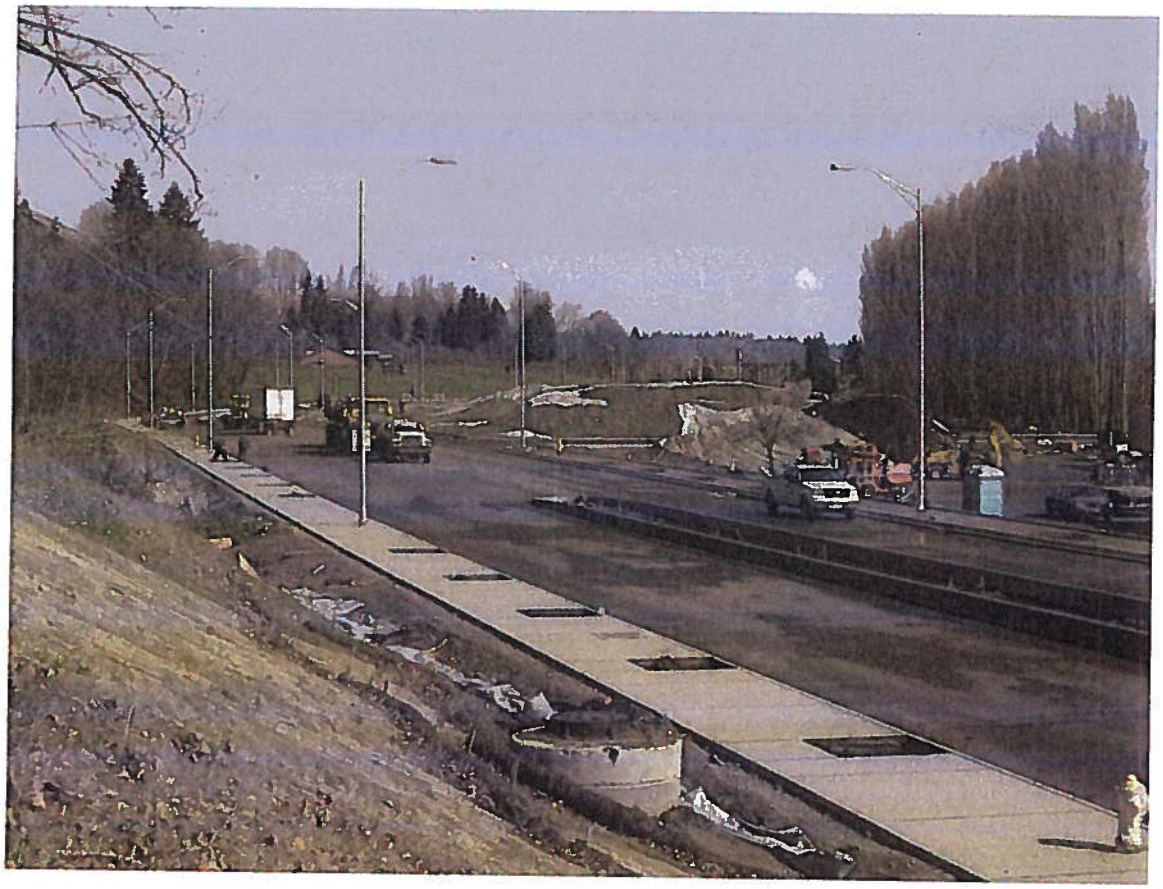
Many of the challenges and issues regarding the future development of Tukwila South have been addressed in the last ten years. The following outlines some of the issues that have been resolved or are likely to be resolved in the future.

A. Road Access

In 2010, a realigned Southcenter Parkway opened that links the Southcenter area to S. 200th Street through Tukwila South. The new Parkway provides a four lane road, with sidewalks, capable of serving the future build out of Tukwila South. Additionally, in 2013 Segale Properties, LLC realigned S. 178th Street and traffic was moved to S. 184th Place. This new road provides a safer, more gradual access than the old road alignment, which often times had to be closed due to inclement weather.

[2] The grading work was originally under PW10-063, but all work under this permit was transferred to PW10-064.


Kent
Southcenter Parkway
Tukwila
Tukwila South Project Boundary
New Southcenter Parkway



B. Flood Control

Tukwila South lies near the Green River and in the past there was a possible risk of flooding. Most of the future development area has been raised to be above the flood elevation. Additionally, levy improvements have been completed along the Green River to reduce the chances of flooding in the area. Not only are these measures important to protect property and lives, but these flood reduction measures help to reduce the costs associated with flood insurance for property and business owners.

C. Public Services

The property owner and/or the City have installed the needed infrastructure to serve future build out of Tukwila South. Additionally, provisions have been made to relocate the existing Fire Station 51 to serve the area.

D. Sensitive Area Preservation

With the SAMP and Shoreline Permit, provisions have been made to preserve and in some cases enhance the wetland, streams and shoreline areas in Tukwila South. Many areas of Tukwila South will be preserved as natural spaces in perpetuity.

E. Historic Preservation

The old Mess Cemetery, owned by the Tukwila Historical Society, is located in Tukwila South. Provisions are in place to preserve the cemetery and access to the cemetery has been maintained.

F. Ease of Permitting and Taxation Policy

The entitlements already obtained for Tukwila South allow future construction to move ahead quickly. Most future projects will not need to obtain environmental approval since SEPA has already been completed. Future buildings will also only need to obtain administrative design review approval.

Like the rest of the City of Tukwila, Tukwila South enjoys a favorable taxation policy compared to the areas, such as Bellevue and Seattle. For example, the City of Tukwila does not have a business and occupancy tax.

III. Challenges Summary

While many of the issues associated with build out of Tukwila South have been addressed via the entitlements and agreements in place for the area, there are still challenges facing future redevelopment.

A. Lack of Transit

Tukwila South lacks connections to the regional transit system. Metro does not provide services along Southcenter Parkway or along S. 200th Street in Tukwila South. The nearest bus route in the area is along Orillia Road, Route #180, which provides bus service between Kent and SeaTac Airport.

Sound Transit's current long range plan and proposed updated long range plan also fails to provide adequate transit options for a redeveloped Tukwila South.

The lack of transit could impact the ability of Tukwila South to attract office users and technology firms. Many of Tukwila South's competitors, such as Downtown Seattle, Downtown Bellevue, and South Lake Union have good access to various mass transit modes.

Staff has included language in the new element for Tukwila South to address this issue.

B. City Boundaries

The corporate boundaries in Tukwila South are jagged. Interstate 5 and/or Orillia Road should serve as the logical boundary between the City of Tukwila and the City of SeaTac; however, in some cases SeaTac goes east of Interstate 5 and Tukwila also has land west of Interstate 5. This issue creates complexity for permitting, area identification, and emergency response.

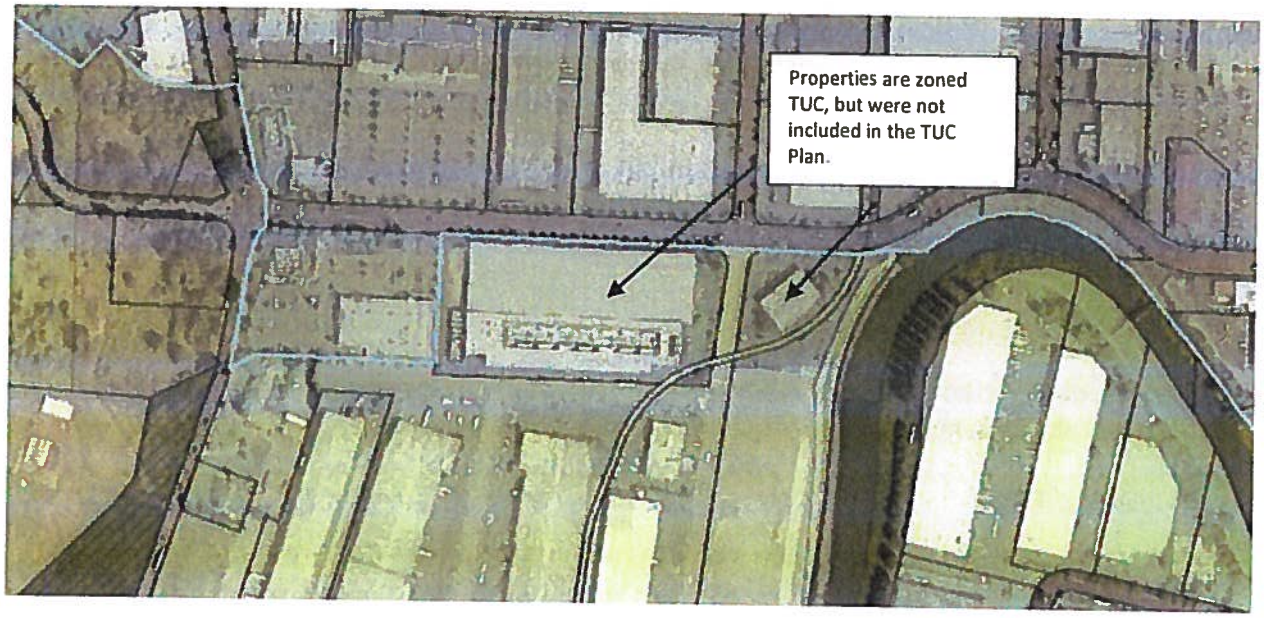
C. Identity

Tukwila South currently lacks its own identity. This most likely can be attributed to the fact that the area lacks development and build out. However, the City will need to ensure that future businesses and residents identify with Tukwila and not with adjacent cities, such as SeaTac or Kent.

D. Zoning Cleanup

In June of 2014, the City Council adopted the Southcenter Plan (formerly known as the Tukwila Urban Center Plan). Several properties in Tukwila South owned by Segale Properties, LLC are zoned Tukwila Urban Center; however, these projects are not included in the Southcenter Plan boundary. Technically, these properties are not zoned and thus would be considered Low Density Residential under the City's

Zoning Code (TMC 18.08.020). This zoning classification does not make sense and a map amendment should be processed to re-designate the properties as Heavy Industrial with the Tukwila South Overlay.



E. Job and Housing Capacity

The City of Tukwila is required by King County and the Puget Sound Regional Council to accommodate a certain number of jobs and housing units in the City. The City regularly provides data to both agencies indicating our "capacity" to provide future jobs and housing. It is important to note that "capacity" and forecast are not the same. Capacity is simply the ability of a certain area of the City to provide jobs and housing, once certain elements are factored in. It is possible that the City could have more or less jobs than the capacity the City shows.

By 2032, the City is required to be able to provide enough commercial/industrial land area to accommodate 16,193 jobs. This number was initially created prior to the Tukwila South annexation. Since Tukwila South was not in the City, the City could not count future jobs in Tukwila South in order to show that we have sufficient capacity. The EIS completed for Tukwila South indicates that Tukwila South would be capable of accommodating nearly 23,000 jobs. Thus, Tukwila South is vital to the City's ability to meet future job capacity requirements.

The City has also estimated that by 2032, Tukwila South could have 700 housing units. Again, this number could be larger and was a conservative estimate. Citywide, the City is required to have capacity to provide 2,084 housing units by 2032. Given that most of Tukwila's residential area is already built out, Tukwila South is important to helping the City meet its housing capacity requirements. Tukwila South will account for nearly one-third of the City's 2032 residential capacity.