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Tukwila City Planning Commission
6200 Southcenter Boulevard
Tukwila, WA 98188

RE: Tukwila Urban Center Plan

Dear Commissioners:

This letter will summarize the key points in our testimony at the Tukwila Urban Center Plan public hearing on March 26, 2009.

We are concerned about the downzoning effect of the current TUC plan. By making properties nonconforming and burdening them with extreme restrictions, the City is purposely taking away value from the land so that it can achieve a different use on the land at the expense of the property owners and erosion of the City's tax base. Tukwila should offer incentives and put its resources into the infrastructure needed to support the mixed-use neighborhoods that it desires, just as other cities have spent tens of millions of dollars on parking structures, street improvements, tax abatements, etc. The property owners cannot carry this burden alone.

Notwithstanding the above general comment, we have the following comments on specific items:

1) On page 13, many of the new regulations are triggered if a tenant in a Major Retail Center makes more than \$100,000 of exterior alterations over a 2 year period. This may work for smaller stores, but for the larger stores this threshold is easily crossed (so it is not equitable). This requirement functions as a disincentive to improve our buildings, or to bring in high quality tenants who may want custom storefronts. This should be eliminated – we should be encouraged to improve our properties, not let them go derelict. The existing retail core is the best amenity Tukwila can offer to attract multifamily development, and should be nurtured.

2) Also on page 13, the exceptions to those exterior alterations value calculations appear intended to cover “ordinary maintenance”, but then the list of those activities is limiting. Such things as parking lot repaving and landscape improvements should also be on the list of exceptions. It should then be reworded to say, “ordinary maintenance, including but not limited to the following...”

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3) On pages 14 & 15, for “substantial alterations” all of the new requirements come into play if, over a period of two years, a structure has combined repair/reconstruction/rehabilitation/demolition/tenant improvements/other improvements that exceed half of the value of the structure. Once again, we are being punished for maintaining our building and having high quality tenants. Because all of the new use and structure rules will then apply, we will be forced to remove tenants if the existing ones are no longer allowed (perhaps in violation of a lease). In addition we cannot determine whether we will be required to tear a building down because it has to be located along the street with parking behind. These requirements and the effects thereof require greater clarity.

Conditions such as these discourage maintaining and upgrading the buildings, and push toward less maintenance, and to bringing in tenants who are low quality and undesirable.

Other miscellaneous items of concern include:

4) The definition of “Anchor” is currently limited to “a large store” (p. 24). Given that customer traffic is the main factor in the use of this term elsewhere in the Plan, this term should be replaced, or the definition should be expanded to any use that generates additional traffic in a center. There are other significant generators of traffic besides large retail stores.

5) Only “anchors” are allowed to have a one-story 25’ high building along the street (p. 21). Why not allow all users to have a 25’ high one-story building if it works for them?

6) Drive-up accessory uses should be allowed, when they are behind a building away from the street frontage, and stacking is on private property.

7) The interior minimum ceiling height for a store is called out to be 15’ on page 24. The goal of a higher first floor structure can be achieved by the 18’ floor-to-floor structural requirement in the same paragraph – the interior ceiling should be left to the tenant to decide (if they even have one).

8) A full sized grocery store is very difficult to get, and is a critical amenity needed for the success of the TUC. Rather than limitations (such as the 100 dwelling unit requirement on p. 19), there should be more incentives to attract one. They should be encouraged to come to the TUC regardless of how and where they want to locate.

9) There are corner store location criteria on pages 25 and 31. When a corner store is located in a larger building that extends down the street, where do the corner store criteria end, and the normal building requirements begin?

6/11/09, TUC, page 3

We support the use of incentives to encourage the new uses and buildings – there should be more of them. The multitude of design details still need work (too limited and restrictive), and the City should give itself and the landowners more flexibility to vary from the details when the overall goal of the plan can be achieved by variations in the requirements, especially as relates to adaptive re-use of existing buildings. These buildings may not be able to meet the TUC regulations to the letter, but there may be ways to incorporate them into a new design that satisfies the intent of the plan. The plan needs to be reasonable, and not lose sight of the market. Criteria and decisions should be directed to keeping stores in the TUC area, and not pushing them to adjacent cities that would be happy to have them.

The City has no ability to guarantee that these changes in requirements will result in economically viable projects. In fact, the property owners are forced to bear the risk of these decisions imposed by the City, when development would normally be implemented by owners and tenants as guided by real-world market demand and economics.

We appreciate that additional time will now be taken for review and revision of the TUC Plan, and that there will be a public hearing for the revised Plan. The new TUC plans should also be tested by meeting with actual retailers and multi-use developers (not just consultants), and a test-case block should be designed in more detail to see how it stacks up against the proposed TUC regulations and other existing City codes. Focused economic studies should also be performed, including a study of the impacts on the City's sales tax income of the changes from big-box anchors to small retail shops.

Thank you for this opportunity to share our concerns with you.

Very truly yours,

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Mark Hancock

cc: Mark Segale