



11930 Cyrus Way • Mukilteo, WA • 98275

City Council Economic Committee
Committee Meeting No. 2015-05
Tuesday, August 25, 2015
5:30-6:30 p.m.
Executive Conference Room

Meeting Report

Attendees:

Committee members: Mayor Gregerson, Councilmember Schmalz
(committee chairperson)

Chamber of Commerce: Executive Director Martin

City Staff: Planning Manager Pickus, Community Development Director Love

Meeting Objective:

1. The meeting notes of May 26, 2015 were approved.

**2. Discussion of Sector 3 Mixed-Use Development
Proposal/Development Agreement Amendment**

Developer Greg Krabbe presented a conceptual development proposal for the Sector 3 property across from the Staybridge Hotel. The proposal would be a mixed-use development of four buildings. He said for the type of commercial development currently called for by the Sector 3 Town Center Development Agreement to be viable for a developer residential uses have to be included. The street level of all four buildings would be for retail/commercial uses. Below the street level will be underground parking for virtually the entire site. The levels above the street level would primarily be for multi-family residential uses which likely would be studio, 1-bedroom and 2-bedroom apartments. Some buildings would have four levels of residential use and others would have five. The concept includes spaces for a large restaurant, hotel and some larger anchor retail spots, as well as many smaller retail spaces. There underground parking would for the residential and hotel uses. There would be surface level parking on the south 1/3 portion of the site for

The Mukilteo Economic Development Committee, under the direction of the Mayor, is but one part of a team which works to preserve the City's quality of life while promoting sustainable economic growth and responding to the business needs of the community. Our mission is to encourage economic growth and to strengthen the City's competitive position while preserving our community, history, and culture.

the retail/commercial uses. Two of the buildings would extend over the street level parking. There would also be new street parking on Harbour Place.

There was discussion about what types of retail uses Krabbe thinks would be attracted to the project, why a hotel is included, design issues, and more. The committee generally approved of the concept recognizing what they were looking at was very preliminary. Executive Director Martin said the Chamber of Commerce believes there's a shortage of retail space in Mukilteo and this project would help with that issue. Councilmember Schmalz said he thinks the community really would like to see a town center type development on the site, similar to Mill Creek's Town Center, and would likely accept the mixed-use concept with higher density residential uses if that was the only way for the town center to happen.

Staff will be working with Krabbe on amending the current development agreement, primarily to allow residential uses and to increase the maximum building height but also to possibly revise design standards and allowed uses. The amended development agreement would be presented to the City Council for their approval at a public hearing.

3. Pacific Seafood potential development agreement

Planning Manager Pickus described how Pacific Seafood has outgrown their facility on 107th Street SW (across from the YMCA) and has purchased property on 44th Avenue W. (north of the Sterling Business Park) to build a new facility because they really want to stay in Mukilteo. The property is in the PI (Planned Industrial) zone which has a maximum building height limit of 35' (all of the other industrial zones in the city have a height limit of 50'-65') which prevents them from building the type of facility they need. Staff has recommended the best method to increase the maximum height limit would be through a development agreement that would increase the height limit to 50'. Staff would follow up the development agreement with a code amendment to increase the maximum building height in the entire PI zone to 50'. The committee was supportive of the development agreement and code amendment.

Next Meeting:

September 29, 2015 (note meeting date is moved from regular date of the fourth Tuesday of the month.

This report was prepared by Planning Manager Glen Pickus.