

**STAFF REPORT ON SHORLINE  
CONDITIONAL USE PERMIT APPLICATION  
FILE NO. Z17-418SCUP**

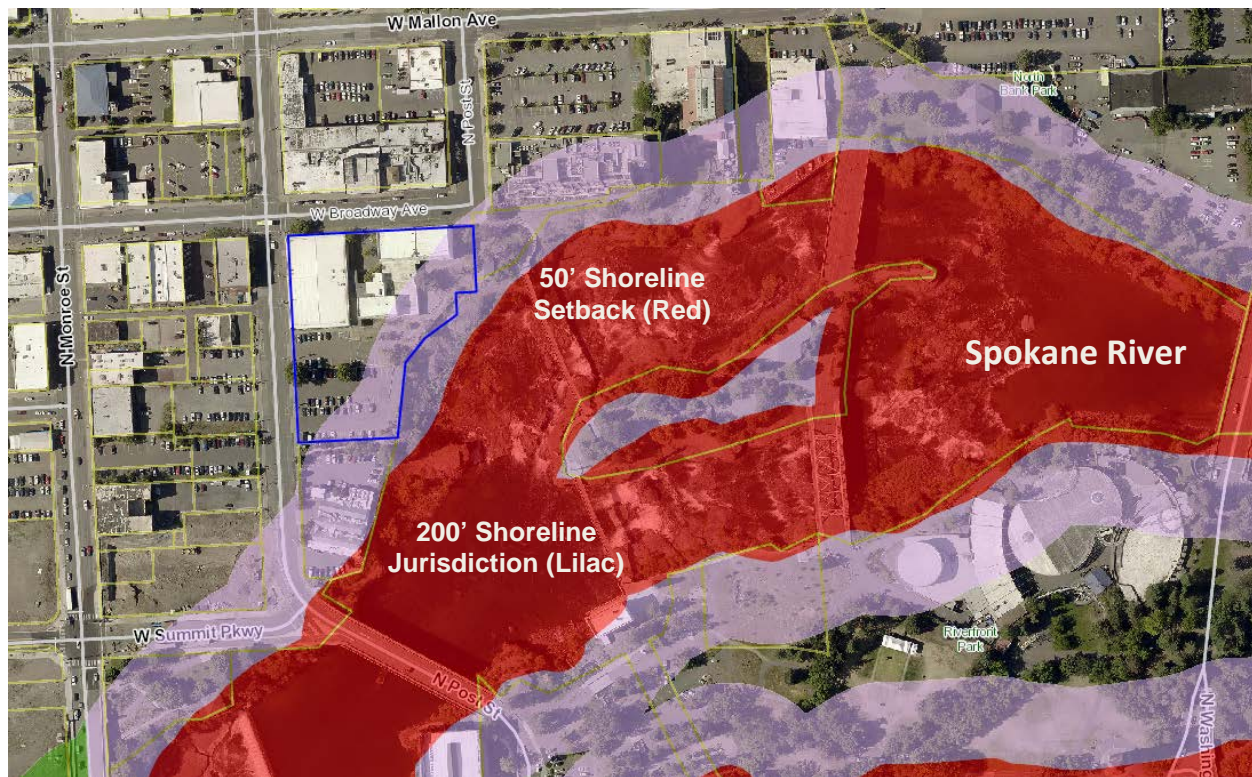
**I. SUMMARY OF REQUEST AND RECOMMENDATIONS:**

**DESCRIPTION OF PROPOSAL:** The Falls is a mixed-use project comprised of three buildings over below-grade parking. The proposal includes approximately 126 for-rent apartments, 26 for-sale condominiums, a hotel with approximately 124 keys, 20,000 to 30,000 sf of office and 20,000 to 27,000 sf of retail, comprised mostly of food and beverage uses. The project will include below grade parking in three levels (approximately 400 stalls) as well as limited surface parking (approximately 15-20 stalls).

Recommendation: Staff recommends approval of this application with conditions.

**II. GENERAL INFORMATION:**

- |    |                            |   |
|----|----------------------------|---|
| A. | Applicant:                 | Collins Woerman c/o Joe Workman<br>710 Second Street, Suite 1400<br>Seattle, WA 98104<br>(206)245-2057                              |
| B. | Property Owner:            | The Falls, LLC c/o LB Stone Properties<br>2800 E. Main Ave<br>Spokane, WA 99220   |
| C. | Location of Proposal:      | 829 W. Broadway, Spokane, WA 99201  |
| D. | Existing Zoning:           | DTG (Downtown General)  |
| E. | Land Use Plan Designation: | Downtown  |
| F. | Shoreline Designations:    | North of the Spokane River; Shoreline Urban Intensive Environment Designation; 50-foot buffer; Downtown Design District             |
| G. | Environmental Overlays:    | Fish & Wildlife Habitat Area (RHA-2)  |
| H. | SEPA Status:               | A Determination of Nonsignificance (DNS) was issued on September 28, 2017, under the State Environmental Policy Act and SMC 17E.050 |
| I. | Enabling Zoning:           | Chapter 17C.124 Downtown Zones; SMC 17E.060 Shoreline Regulations; Chapter 17C.160 North River Overlay District                     |
| J. | Hearing Date:              | October 19, 2017, 9:00 a.m.   |
| K. | Staff Contact:             | Tami Palmquist, Associate Planner, 625-6157   |



2016 Aerial – Parcel outlined in Blue

### **III. FINDINGS OF FACT:**

1. Collins Woerman, on behalf of LB Stone Properties, applied for a Shoreline Conditional Use Permit on July 14, 2017. The proposal is for a mixed-use project comprised of three buildings over below-grade parking. The proposal includes approximately 126 for-rent apartments, 26 for-sale condominiums, a hotel with approximately 124 keys, 20,000 to 30,000 sf of office and 20,000 to 27,000 sf of retail, comprised mostly of food and beverage uses. The project will include below grade parking in three levels (approximately 400 stalls) as well as limited surface parking (approximately 15-20 stalls).
2. The subject property is located adjacent to the Spokane River. The Spokane River is designated by the Shoreline Management Act as a shoreline of statewide significance and therefore subject to the requirements of the City of Spokane Shoreline Master Program (SMP). The City of Spokane Shoreline Master Program designates this area as Urban Intensive Environment with a 50-foot buffer from the Spokane River.
3. The subject property is located in the Land Use Category of *Downtown*, according to the City of Spokane's Comprehensive Plan, initially adopted by City Council on May 21, 2001 and subsequently amended June, 2017.

4. The subject property is located in the base zone DTG (Downtown General) Zone. Residential and Retail Sales and Service uses are permitted in the Downtown zones under Spokane Municipal Code (SMC) Table 17C.124-1, Downtown Zone Primary Uses.
5. In the City of Spokane, Shoreline Master Program SMC 17E.060.360 Primary Permitted Uses, restaurants and other improvements facilitating public access to the shorelines are listed as an example of a Water-Enjoyment Use. Water-Enjoyment Developments are “CU” Conditional Uses in the Urban Intensive Environment per SMC Table 17E.060-04, Shoreline Primary Uses. Also, multifamily residences of 4 or more dwelling units are noted as “CU” in SMC Table 17E.060-04, Shoreline Primary Uses. Pursuant to SMC 17E.060.310 a shoreline conditional use permit is required for this development.
6. Land Use Procedures used for Shoreline Conditional Use Permits are located in Spokane Municipal Code Chapter 17G.060.
7. This site is located within the SMP Downtown Design District and subject to the design standards as described in SMC Section 17E.060.810 Standards and Guidelines Specific to the Downtown and Campus Districts, and SMC Section 17E.060.820 Standards and Guidelines Specific to the Downtown District.
8. The subject property is located within the Riparian Habitat Zone 2 as designated in Spokane Municipal Code Chapter 17E.020, Fish and Wildlife Conservation Areas. The subject property is also located within a designated Riparian Habitat Area (250-feet from OHWM).
9. This project is subject to review and comment by City of Spokane Design Review Board. A Collaborative Workshop for “The Falls” was held on July 12, 2017. A recommendation meeting has not been scheduled yet. The proposal will be conditioned to complete this step prior to application of any site development permits.
10. A Community Meeting was held on July 13, 2017, at 5:00p.m. at The Spokane Public Library facility located at 906 W. Main Ave. Spokane, WA 99201 room 1A & 1B.
11. The application materials pertaining to the Shoreline Conditional Use Permit were distributed to City Departments and other agencies with jurisdiction for comment on July 20, 2017. These comments are on record with Planning & Development.
12. This application was deemed technically complete on August 11, 2017. Notice of Application and Public Hearing was provided to the applicant by email.
13. Notice of the Shoreline Conditional Use Permit application was posted on site, at the downtown library and City Hall on August 25, 2017. Notices were also mailed to surrounding property owners, taxpayers and occupants within 400 feet of the subject property, as specified on the Notification District Map, on August 24, 2017.
14. The public comment period for this shoreline Conditional Use Permit ended on September 27, 2017. One public comment email was received on this proposal; it was in favor of the project.
15. A Determination of Non-Significance (DNS) was issued on September 28, 2017; Lead Agency, City of Spokane Planning and Development, Lisa D. Key, Planning Director,

Responsible Official. No appeal of the determination had been filed at the time this report was written.

#### **IV. DEPARTMENT REPORTS**

Notice of this proposal was sent to City departments and outside agencies for their review and comments on July 20, 2017. Engineering Services, The Spokane Tribe of Indians and The Department of Ecology were the only departments and agencies that provided comment. Their comments are included with the file and are made part of this application by reference. The Fire Department was engaged in conversations with the applicant about emergency access to the site, and have offered additional comments for review when preparing their construction documents.

#### **V. CONCLUSIONS**

*SMC 17G.060.170 Decision Criteria – Type II and Type III permit applications.*

1. *The proposal is allowed under the provisions of the land use codes;*

Relevant Facts:

The subject property is located in the base zone DTG Zone. With the use being described as a mixed-use retail and residential project, with shops, a hotel and restaurants, it is categorized as Retail Sales and Service in the Commercial Category under SMC 17C.190.240. Retail uses, as described above, are permitted in the Downtown zones under Spokane Municipal Code (SMC) Table 17C.124-1, Downtown Zone Primary Uses. Apartments and condominiums are categorized as Residential Household Living, which is allowed outright in the Downtown zones under Spokane Municipal Code (SMC) Table 17C.124-1, Downtown Zone Primary Uses.

In the City of Spokane, Shoreline Master Program SMC 17E.060.360 Primary Permitted Uses, restaurants and other improvements facilitating public access to the shorelines are listed as examples of Water-Enjoyment Uses. Water-Enjoyment Developments are “CU” Conditional Uses in the Urban Intensive Environment per SMC Table 17E.060-04, Shoreline Primary Uses. Also, multifamily residences of 4 or more dwelling units are noted as “CU” in SMC Table 17E.060-04, Shoreline Primary Uses. Pursuant to SMC 17E.060.310 a shoreline conditional use permit is required for this development.

2. *The proposal is consistent with the Comprehensive Plan designation and goals, objectives and policies for the property;*

Relevant Facts:

The subject property is located in the Land Use Category of *Downtown* according to the City of Spokane’s Comprehensive Plan, initially adopted by City Council on May 21, 2001 and subsequently amended June 2017. This proposal is consistent with the intent of

several Comprehensive Plan Policies, a few listed below and also in the application materials.

**Regional Center (Downtown):** *Downtown Spokane is a thriving neighborhood with a diversity of activities and a mix of uses. A variety of goods and services are available. The range of activities includes cultural, governmental, hospitality, and residential uses. It serves as the primary economic and cultural center of the region. Emphasis is on providing new housing choices and neighborhood services for downtown residents, in addition to enhancing economic, cultural, and social opportunities for the city and region. The Plan for a New Downtown adopted by the City Council in March 1999 serves as the plan for the Downtown Planning Area.*

**LU 2.1 Public Realm Features** - *Encourage features that improve the appearance of development, paying attention to how projects function to encourage social interaction and relate to and enhance the surrounding urban and natural environment.*

**LU 5.5 Compatible Development** - *Ensure that infill and redevelopment projects are well-designed and compatible with surrounding uses and building types.*

**ED 2.4 Mixed-Use** - *Support mixed-use development that brings employment, shopping, and residential activities into shared locations that stimulate opportunities for economic activity.*

**PRS 2.3 Urban Open Space Amenities** - *Continue to develop urban open space amenities that enhance the local economy. Discussion: Urban open space amenities include trails, interpretive areas, plant materials, public squares, viewpoints and interpretive signage, and provide benefits to both residents and visitors.*

**SMP 5.4 Provisions for Shoreline Protection** - *Require that new development provide adequate provisions for the protection of water quality, erosion control, landscaping, aesthetic characteristics, drainage systems, aquatic and wildlife habitat, views, archaeological sites, and normal public use of the water.*

**SMP 5.8 Major Building Entrances** - *Encourage the inclusion of a major building entrance from the waterfront in public and private projects, so as to attract the public to the river and emphasize the building's river orientation.*

**SMP 8.2 Access and Shoreline Ecological Functions** - *Assure that public access improvements result in no net loss of shoreline ecological functions.*

**SMP 8.3 Access in the Central Business District** - *Enhance public access to the river in the Central Business District shoreline area in the form of plazas, vistas, pedestrian ways, and promenades, or other means.*

**SMP 8.4 Access Frontage** - *Require public access frontage as part of each development project, unless such access is infeasible or unreasonable based on the intensity of the use.*

**SMP 10.3 Landscaping with Native Plants** - *Encourage the use of native plant communities for landscaping within the Shoreline Jurisdiction.*

**SMP 11.35 Visual and Physical Access in Development** - *Ensure that shoreline*

*development includes, when feasible, visual and physical public access to the shorelines, while avoiding, minimizing, or mitigating negative impacts to the shoreline.*

3. *The proposal meets the concurrency requirements of SMC Chapter 17D.010;*

Relevant Facts:

The application was circulated on July 20, 2017, amongst all City departments and outside agencies with jurisdiction and there were no departments or agencies that reported that concurrency could not be achieved.

4. *If approval of a site plan is required, the property is suitable for the proposed use and site plan considering the physical characteristics of the property, including but not limited to size, shape, location, topography, soils, slope, drainage characteristics, the existence of ground or surface water and the existence of natural, historic or cultural features;*

Relevant Facts:

The site area is suitable for redevelopment per the site plan submitted with this application. The applicant lists all physical and environmental elements located on the site, or in the vicinity, in the Environmental Checklist submitted. City departments and other agencies also reviewed this application for physical characteristics of the property. A Geotechnical Engineering Study and a Habitat Management Plan were also prepared for this proposal.

5. *The proposal will not have a significant adverse impact on the environment or the surrounding properties, and if necessary conditions can be placed on the proposal to avoid significant effects or interference with the use of neighboring properties or the surrounding area, considering the design and intensity of the proposed use.*

Relevant Facts:

As mentioned above, required studies were performed and reviewed by applicable departments and agencies. Their findings and recommendations will be incorporated into the conditions of approval for this proposal. An Environmental Checklist dated July 14, 2017, was submitted by the applicant. A subsequent Determination of Nonsignificance issued on September 28, 2017, following the close of the public comment period.

*SMC 17G.060.170 Decision Criteria – Shoreline Conditional Use Permit. The purpose of a shoreline conditional use permit is to provide a system within the shoreline master program which allows flexibility in the application of use regulations in a manner consistent with the policies of RCW 90.58.020. In authorizing a conditional use, special conditions may be attached to the permit by local government or the department to prevent undesirable effects of the proposed use and/or to assure consistency of the project with the act and the shoreline master program.*

6. *The proposed use is consistent with the policies of RCW 90.58.020 and the shoreline master program.*

Relevant Facts:

This proposal is consistent with 90.58 RCW the Shoreline Management Act. This proposal implements the Shoreline Management Act as enunciated in RCW 90.58.020. This proposal recognizes the interest of the public while enhancing the natural character of the shoreline, results in long term benefit, increases public access to the shoreline, and increases passive recreational opportunities for the public in the shoreline. The procedures of Chapter 173-27 of the WAC have been followed.

This proposal is consistent with the map, goals and policies of the Shoreline Master Program. This site is located in the area designated by the Shoreline Master Program as Urban Intensive Environment and the Downtown Design District.

The “intensive urban” environment is assigned to shoreline areas at the heart of the city that are appropriate and planned for a multiplicity of high-intensity water-oriented urban, residential, commercial, office, and industrial land uses. The density and intensity of uses within this environment are balanced with a mix of open space and recreational and cultural facilities.

7. *The proposed use will not unreasonably interfere with the normal public use of public shorelines.*

Relevant Facts:

Existing public access provided by the pathway north of Anthony’s will not be removed as part of this application, it will be enhanced by the additional pathways and plazas envisioned as part of The Falls proposal. This site is also adjacent to the northeast entrance to Riverfront Park. Overall public access to the Spokane River will be improved as Riverfront Park is redeveloped over the next few years. The applicant has been in discussions with the Parks Department and has welcomed a collaborative effort to enhance the pedestrian experience as the public leaves their site and enters the Park. There will be temporary impacts during the construction process. Please see the Application for additional discussion.

8. *The cumulative impact of several additional conditional use permits on the shoreline in the area will not preclude achieving the goals of the shoreline master program.*

Relevant Facts: There are other Conditional Use Permits in the general vicinity, however, they all work together to improve the Spokane River Shoreline experience and implement the goals and policies outlined in the Shoreline Master Program. Recent redevelopment in the Downtown and the Riverfront Park Renovations have all had a positive impact on our community and worked together to increased public access to the Spokane River. Avista has added in-water weirs to the Spokane River as part of their aesthetic spill project. Huntington Park was renovated and the Gathering Place outside of City Hall was added as a great connection from the falls to the Park. The Convention Center recently completed a major expansion and shoreline restoration along the Centennial Trail. All of these activities have worked in harmony to showcase one of our City’s most valuable assets.

9. The proposed use of the site and design of the project is compatible with other authorized uses within the area and with the uses planned for the area under the comprehensive plan and the shoreline master program.

Relevant Facts:

This project is suitable for residential and commercial development and will improve public access to the Spokane River. The preliminary elevations show that the applicant is taking cues from surrounding properties and is mindful of the context in which this site is located. The applicant will be required to complete the Design Review Process prior to any site disturbance permits being applied for.

10. The proposed use will cause no significant adverse effects to the shoreline environment in which it is to be located, and the public interest in enjoying the physical and visual access suffers no substantial detrimental effect.

Relevant Facts:

The redevelopment of the site will allow for enhanced public access as well as new views and vistas of the Spokane River, Downtown and Riverfront Park. There will, however, be temporary impacts during the phasing of construction.

## **VI. RECOMMENDATIONS**

STAFF CONCLUSION: The proposal is located within the Shoreline Jurisdictional boundary. The proposal meets the intent of the Spokane Shoreline Master Program and is consistent with the policies of the Shoreline Management Act. The project will mitigate all adverse impacts on the shoreline area, its values or functions. As such, the City of Spokane Planning & Development Department recommends approval of The Falls Tower Shoreline Conditional Use Permit subject to the conditions stated below and of the other agency permits required.

1. This Shoreline Conditional Use Permit is subject to the compliance of this proposal with all applicable codes and requirements including shoreline regulations, public access, building height, bulk, setbacks, and site coverage;
2. The site shall be developed in substantial compliance with the plans submitted with the application on file dated July 14, 2017, as well as comments received on the project from City Departments and outside agencies with jurisdiction;
3. The Shoreline Master Program, SMC 17E.060 and SMC 17E.020 require no net loss of shoreline ecological functions that could result from the proposal. Pursuant to Section 17E.060.220 the applicant shall engage in the restoration, rehabilitation, or enhancement of the shoreline environment in order to offset the impacts resulting from this proposal;
4. Public access to the Spokane River and river views shall be required as part of the Shoreline Master Program and SMC 17E.060.280. The applicant is proposing to enhance trail access across their easterly property line.



5. The contractor is required to have a Construction Stormwater Pollution Prevention Plan (SWPPP) in place prior to and during construction in order to prevent sediment laden stormwater run-off or other pollutants from entering the Spokane River;
6. The applicant is required to hold a Recommendation Meeting with the Design Review Board (DRB) prior to submittal of any site development permits;
7. The Fire Department reserves the right to review and approve all access design and water supply locations;
8. Adhere to any additional performance and development standards documented in comment or required by City of Spokane, Spokane County, Washington State, and any Federal agency;
9. The Spokane Tribe of Indians has been notified by the applicant and has acknowledged being a consulting party; and
10. If any artifacts or human remains are found upon excavation, the Spokane Tribe of Indians and the Planning & Development Department should be immediately notified and the work in the immediate area cease. Pursuant to RCW 27.53.060 it is unlawful to destroy any historic or prehistoric archaeological resources. RCW 27.44 and RCW 27.53.060 require that a person obtain a permit from the Washington State Department of Archaeology & Historic Preservation before excavating, removing or altering Native American human remains or archaeological resources in Washington.