

## Project Description / Narrative

### **Alder Plaza** / xxxx Fourth Avenue, Ferndale, WA

This project is proposed to be considered for the downtown catalyst incentive program as passed by City Council (18.48). The purpose and intent of this program is to “promote the development of significant mixed-use buildings within the downtown core, for the purpose of catalyzing further development and redevelopment within the area”. ***This property was purchased specifically in anticipation of the proposed catalyst incentive. Alder Plaza has been designed to meet or exceed all of the requirements for City Council consideration and includes other unique features that enhance the downtown core, support existing businesses and provide public benefits. As proposed the project will add commercial space, condominiums, a rooftop deck available to the public, a proposed parklet, public art, and more usable public space with outdoor seating and landscape areas, as well as increasing safety with lighting and improving roads, parking and sidewalk connectivity. The summary at the end of the narrative contrasts the pros/cons of the existing use, the proposed catalyst project and what the project might be without the catalyst.***

#### 18.48.010 Purpose and intent.

A. The City of Ferndale seeks to establish a time-limited incentive for the purpose of promoting the development of significant mixed-use buildings within the downtown core, for the purpose of catalyzing further development and redevelopment within the area.

B. Up to three projects which meet the minimum requirements of this program, including minimum thresholds for size, number of residential units, architectural design, parking configuration, and a four-element scoring system, shall be eligible for a waiver of all City fees.

C. The intent of the catalyst incentive is to restore and enhance Ferndale’s downtown core, and encourage key goals for development downtown, by:

1. Diversifying residential housing options with an emphasis on increasing the numbers of condominium units within the downtown core; ***Alder Plaza includes 27 studio, one and two bedroom luxury condominiums for individual sale. There are currently very few opportunities for home ownership in the City Center or Downtown core.***
2. Promoting development adjacent to Main Street and downtown park areas; ***In addition to the condominiums, Alder Plaza adds over 10,000 square feet of commercial office space with the potential for a small café or coffee shop approximately 150 feet south of Main Street and is in close proximity to Riverwalk Park as well as Pioneer Park, Star Park, Vanderyacht Park, Hovander Park, Conoco Phillips Fields, Ferndale Boys and Girls Club as well as the Nooksack River. It will add parking, lighting for safety and aesthetics and provide sidewalk connectivity between the Library and the elementary school. This will provide jobs, a tax base and additional residences (with ownership) in the downtown core to support new and existing businesses. The addition of a roof deck that is available to the public adds not only space but an opportunity to highlight some of the spectacular views that Ferndale has to offer including Mount Baker.***
3. Increased public space; ***There will be additional public space for a small coffee shop/cafe at the commercial level and for murals on the exterior of the building. A parklet on Alder Street would provide for some outdoor seating at tables, benches, and around some planters. A solar charging***

*station would be a convenience for the public. In addition to the rooftop deck, most of the increase in public space will be the addition of nearly 50 angled parking spaces and connectivity of over 300' of sidewalk on the south side of Alder Street that would otherwise either not be constructed or constructed at the City's/public expense. This would free up funds from the "complete streets" program for other areas of need.*

4. Encouraging redevelopment of nonconforming or underdeveloped sites; ***This project demonstrates that even an odd shaped (nonconforming) vacant corner lot can be developed with creativity and an efficient use of space. It provides an excellent example of density achieved by building vertically. It is exactly what the Planning Commission was asking for; mixed use construction, condominiums (allowing for affordable home ownership in the downtown core) and exceeding the City's density goals. This will add to the City's tax base immediately and over the life of the building for many years to come. In addition to on-site improvements, this project includes several off-site improvements that benefit the surrounding business as well as the general public; these include more parking, sidewalk connectivity, a parklet, an accessible rooftop deck and for safety enhanced lighting and improved fire protection. As designed Alder Plaza will provide jobs and affordable housing in the downtown core and have a positive financial impact to the City and the public for decades. There will be some electric vehicle charging station available to the public.***

5. Increasing art in the public space; ***There will be a 10' x 10' mural viewable from public space as well as spaces on either side of the main entry for paintings, sculptures or other art. There is space outside the building on the corner for some combination of a water feature or some tables or some planters with seating and landscaping or even a sculpture. Lighting on the building will allow the art features to be seen into the evenings and combined with additional street lighting will increase the usability and safety of an otherwise fairly dark corner for the public. Adding an art component to the proposed parklet would provide a highly visible space for an art feature.***

6. Supporting the assemblage of small lots that cannot be efficiently redeveloped on an individual basis; ***This project proposes using a lot line adjustment with the adjacent property to the east to achieve a better building envelope, better use of space and more overall value.***

7. Recognizing the long-term efficiencies and durability of green building techniques achieved through LEED certification. ***This project will meet or exceed LEED gold standards. Including solar panels on the roof.***

***Alder Plaza meets all of the catalyst program key goals.***

18.48.020 Downtown catalyst criteria.

A. The City of Ferndale shall waive all administrative, impact, and connection fees for up to three development projects that meet all the following criteria. The development project must consist of:

1. A minimum of three stories. ***Five stories from Fourth Ave & Alder.***
2. A minimum of 15 residential dwelling units. ***27 residential condominium units proposed.***
3. A minimum of 5,000 square feet of first floor commercial area. ***10,435 square feet proposed.***
4. New construction (existing buildings are not eligible for the incentive program). ***All new construction proposed.***

5. All required on-site parking shall be placed within the footprint of the building and/or on private property behind the building, with no off-street parking credits for residential uses. In addition, on-site parking shall be screened or placed within a structure to obscure visibility from a public park. **More than the minimum on-site parking for residential including two handicap parking spaces and two spaces for electric vehicle charging in a parking garage below the structure.**

6. Architecture complies with Downtown Architectural and Site Design Standards (Chapter 18.47 FMC), in the judgment of the Zoning Administrator. **See elevations shown on plan set and final design approval of exterior finishes by City staff.**

7. Projects maximizing the goals established by FMC 18.48.010, as well as FMC 18.48.070, which are listed below:

- a. Public benefit.
- b. Architectural design.
- c. Site design.
- d. Catalyst effectiveness.

The catalyst program represents a broad public purpose that will benefit the Ferndale community, intended to restore and enhance Ferndale's downtown core.

18.48.070 Scoring categories.

A. The Catalyst Review Committee shall evaluate eligible projects based on the four categories described below. In evaluating projects, committee members shall seek to identify points based on the general compliance with the category itself; there is not a specific number of points that must be provided for compliance or noncompliance with any one element described in the category.

Points shall be based on the following scale: 0 = no attempt, 3 = moderate attempt at one category aspect, 5 = moderate attempts at two category aspects, 7 = good attempt at two aspects or excellent attempt at one category aspect, 10 = good attempt at three or more aspects and/or excellent attempt at one or more aspects.

1. Public Benefit. In what manner does the development directly benefit the public? The Committee may consider public benefits derived from the land use or types of land use proposed, the density of the development, and any amenities that are enhanced or made available to the public as a result of the development. Examples of public benefit could include, but are not limited to: inclusion of affordable housing units; expansion or incorporation of recreation areas; public gathering areas, whether as part of a business or as a designated open space; publicly viewable art. **Alder Plaza adds commercial space and residential condominium units to the downtown core, it is high density to comply with zoning and comprehensive plan goals. There will be a meeting space on the commercial floor that is available during business hours as well as availability to be reserved by the public at other times. One highlight is a rooftop deck that is open to the public during business hours or by reservation for other times. As a catalyst project it will add public parking and provide sidewalk connectivity between the Library and the elementary school that would otherwise not be constructed or it would cost the City/public to complete. It will include publicly viewable art as well and an outside area with seating and landscaping. There are immediate and long-term financial benefits for the public: jobs, housing, safety, convenience, density, targeted growth, sales taxes, property taxes and added household**

**spending in Ferndale of over \$1,000,000 per year. The most important public benefit is bringing permanent residents into the downtown core to increase activity and support the existing businesses on Main Street and elsewhere in Ferndale.**

2. Architectural Design. Does the development reflect design details or include architectural concepts that are compatible with the vision for the downtown core? Or, does the design of the buildings create an unwelcoming impression that may tend to limit further development in the surrounding area? Examples of desired architectural design include but are not limited to: development which incorporates tasteful, unique, and iconic elements; development which includes low impact or energy-efficient design; development which expands and enhances the City's skyline. **Alder Plaza is on the middle to west end of the downtown core. It will be highly visible from City Hall and is designed to be attractive to business and residents alike and will exceed all of the architectural design standards of the City. The design highlights the corner radius and features several modern/industrial finishes. Inset decks mixed with protruding decks provide visual breaks as well as some cover or shade. Using different material textures and colors will provide architectural interest. The roof top deck will provide the public with a park-like setting and amazing views of Ferndale. Alder Plaza will be a great example of what the downtown core could look like in the future, act as a catalyst and help support existing downtown core businesses. It is transformative in taking an existing 12,000 square foot vacant site and converting it to over 10,435 square feet of commercial and adding 27 residences for a total of over 50,893 square feet making it one of the highest achieved densities in Ferndale. As designed, this project efficiently reduces storm water requirements as the roof water will include a green roof design for filtration and to slow and create clean runoff. The architectural design takes advantage of the Mount Baker view and southern exposure including sunrises and sunsets. As a result of this catalyst program the City has the opportunity to enhance the City's skyline not just at the east and west ends, but in the middle three blocks of Main Street which are much more difficult and challenging to develop. This project will meet or exceed LEED gold standards including solar panels on the roof.**

3. Site Design. Has the applicant arranged the development site in a manner that effectively takes advantage of public space, including adjacent public or private rights-of-way? Or, does the site limit interaction with the general public? Examples of desired site design could include but are not limited to: orientation to the Nooksack River, Mount Baker, and the southern sun; engagement with the adjacent street; full use of the subject property; on-site parking in excess of minimum City requirements, integration of stormwater requirements with site design, and other elements.

**This site effectively takes advantage of its close proximity to City Hall, the Post Office and the rest of the downtown core. It encourages walking downtown to support local businesses. Adding a parklet on Alder Street reduces pedestrian crossing distance and provides a space for seating, art and landscaping. It is oriented toward Mount Baker, and the southern sun; engagement with Fourth Avenue and Alder Street; the site plan shows full use of the property and on-site parking in excess of minimum City requirements, stormwater requirements are met with site design (clean roof and yard water). Off-site improvements will add public parking and sidewalk connectivity as well as improve lighting, safety and aesthetics.**

4. Catalyst Effectiveness. If developed, is there a reasonable expectation that given favorable market and growth conditions, this project would have a direct positive impact on the surrounding area, as measured by additional development, increased investment in existing buildings or businesses, etc.? Examples of catalyst effectiveness could include but are not limited to: development on or in close

proximity to Main Street and the traditional downtown core; the redevelopment of properties that have remained vacant or underdeveloped for a prolonged period of time; development of properties in close proximity to other catalyst projects or emerging areas; removal of nonconforming buildings or uses; consolidation of small properties; expansion or extension of infrastructure that may support future development; inclusion of condominiumized housing units. ***This project meets several of the above examples of effectiveness: it should have a direct positive impact on neighboring businesses by bringing in more residents as well as additional professional office space. This should directly support restaurants, gas stations and grocery stores etc. New condominiums for sale in the downtown core provide for more affordable home ownership opportunities. This is an example of developing a vacant and/or underdeveloped property downtown.***

B. Staff shall award automatic bonus points for the following key goals, with no grading or judgment:

1. All residential units available for purchase (condominiumized) – 10 points. ***All 27 residential units to be sold as condominiums.***
2. Fronting Main Street or public park – Five points. ***Alder Plaza is approximately 100' south of Main Street, the property to the south across Alder Street may become a public park. Due to the proposed height, it will be highly visible from Main Street. There is public open space and the Library across Fourth Avenue to the west and southwest. The proposed off-site improvements not only provide sidewalk connectivity but as proposed the parklet would allow for rest stop between the Elementary School and the Library. This is a great solution for the area until a proposed boardwalk to the south becomes a reality.***
3. Art viewable from the public space – Five points. ***An art mural will be viewable from Fourth Avenue with additional art on the corner viewable from both Fourth Avenue and Alder Street.***

Examples: mural, large artistic sign, sculpture, artistic elements in the facade, sculpture/bike rack, sculpture/planter, water feature or fountain, etc. Artistic elements at the ground level shall be a minimum of six feet in height or length. Artistic elements in the facade shall be at least 10 square feet in size, which can include a combination of more than one element. Murals shall be a minimum of 100 square feet. All art shall be privately maintained and shall be subject to enforcement for failure to adequately and perpetually maintain the element.

4. Public space – Five points. ***Alder Plaza includes a public roof deck; this space will showcase Ferndale's amazing view of Mount Baker and the surrounding area. The entire building, including the rooftop deck, will meet ADA guidelines for accessibility. There will be space open to the public on the ground floor as well as the entire commercial floor including the lobby. This project will add more public parking than 10% of the required parking for the residential and commercial combined. A parklet with seating, landscaping and art is included. The improvement of roads, addition of public parking spaces and new sidewalks with lighting add safety, convenience and usable public space. A solar charging station for phones at the parklet and a couple of electric vehicle charging stations will be for public use.***

Examples: courtyard, plaza, or landscaped open space with a minimum of 100 square feet, public parking equal to at least 10 percent more than the sum of the total required residential parking and any additional mixed use or commercial parking required by code.

5. Redevelopment of a site with existing improvements – Five points. ***This main site is vacant land but as proposed using a Lot Line Adjustment the adjoining property to the east is improved. This project will include redevelopment of a site with existing improvements.***
6. Assemblage of smaller sites – Five points. ***This project assembles one lot and a portion of another lot to the east into one project; by combining the two sites together it meets the assemblage requirement.***
7. LEED Gold or higher – Five points. (Ord. 2095 § 1 (Exh. 1), 2019) ***This project will meet or exceed LEED gold standards. Including solar panels on the roof.***

***Summary: Currently this property generates \$735 in property taxes annually; upon completion the commercial portion of Alder Plaza will generate over \$22,500 in property taxes annually and after 8 years the residential portion would increase that number to over \$65,000 per year. As a catalyst project it will generate over \$3.5 million of spending in Ferndale during the course of construction and provide 20-30 temporary jobs; upon completion the 10,000+ square footage of professional office space will provide 20-30+ permanent jobs. The condominium units will bring in 60-70+ new permanent residents to the downtown core and add over \$1,000,000 per year in household spending to the City of Ferndale. The off-site improvements included with this project as a catalyst are well over a \$200,000 value to the City and the public. If Alder Plaza is not selected as one of the catalyst projects it would most likely be scaled back. This might include elimination of the commercial component, reduced off-site improvements and parking that are mainly for the commercial component and for public benefit as well as the new units being constructed as apartments instead of condominiums. This is an opportunity for the City to achieve some of the goals for reviving the downtown core, and it is easy to show the benefit to the public of the project as proposed especially when comparing it to either its current use or how differently the project might benefit the public without being a catalyst project.***