

MEMORANDUM

To: Members of the Planning Land Use and Zoning Committee
From: Ketil Freeman, Legislative Analyst
Date: September 6, 2016
Subject: Clerk File No. 314312 and Council Bill 118785 - Application of East Union 22, LLC to rezone property located at 2220 East Union Street from Neighborhood Commercial 2-40 to Neighborhood Commercial 2-65 and from Neighborhood Commercial 2-40 with a pedestrian designation to Neighborhood Commercial 2-65 with a pedestrian designation. (Project No. 3019001; Type IV).

This memorandum: (1) provides an overview of the rezone application contained in Clerk File (CF) 314312; (2) describes a proposed Council decision document, which would grant the rezone application; and (3) summarizes a bill, which would amend the Official Land Use Map, also known as the zoning map, to effectuate the rezone, and accept a Property Use and Development Agreement (PUDA) limiting future development.

Overview

East Union 22, LLC (the Applicant), has applied for a contract rezone for an approximately 34,000 square foot site located at 2220 E. Union St. (the "Property") from Neighborhood Commercial 2-40 (NC2-40) to Neighborhood Commercial 2-65 (NC2-65) and from Neighborhood Commercial 2-40 with a pedestrian designation (NC2P-40) to Neighborhood Commercial 2-65 with a pedestrian designation (NC2P-65).

The Applicant plans to redevelop the site with a 144 unit apartment building with approximately 20,000 square feet of ground floor retail space. Four units would be affordable to households earning 60 percent of Area Median Income (AMI), and the Applicant would make a payment under the Mandatory Housing Affordability-Commercial program for non-exempt retail floor area. Parking for 148 vehicles will be provided on-site. The proposed structure height would be approximately 65 feet.

The Applicant filed a rezone petition in June 2015. On April 28, 2016 the Seattle Department of Construction and Inspections (SDCI) issued an affirmative rezone recommendation, State Environmental Policy Act decision, and design review decision. The Hearing Examiner held an open record hearing on the rezone recommendation on July 12, 2016. On July 22, 2016, the Hearing Examiner issued her recommendation to Council to approve the rezone subject to a PUDA.

Type of Action and Materials

This rezone petition is a quasi-judicial action. Quasi-judicial rezones are subject to the Appearance of Fairness Doctrine prohibiting ex-parte communication. Council decisions must be made on the record established by the Hearing Examiner.¹

The Hearing Examiner establishes the record at an open-record hearing. The record contains the substance of the testimony provided at the Hearing Examiner's open record hearing and the exhibits entered into the record at that hearing. The entire record, including audio recordings of the Hearing Examiner's open record hearing, are available for review in my office.

¹ Seattle Municipal Code (S.M.C.) § 23.76.054.E.

Attachments to this memo include:

- Proposed Council Findings, Conclusions and Decision
- The Hearing Examiner's recommendation to approve the rezone; and
- Drawings and other images excerpted from the Applicant's Design Review Packet.²

Committee Decision Documents

To approve a contract rezone the Council must make recommendations to the Full Council on two pieces of legislation: (1) a Council Findings, Conclusions and Decision that grants the rezone application and (2) a bill amending the zoning map and approving a PUDA.

Findings, Conclusions and Decision

Council staff has drafted a proposed Council Findings, Conclusions and Decision, which:

1. Adopts the Hearing Examiner's findings and conclusions;
2. Establishes conditions to implement the Applicant's voluntary agreement to provide affordable housing as reflected in Exhibit 10 in the Hearing Examiner proceeding; and
3. Approves the proposed rezone subject to a condition that the Applicant execute a PUDA limiting development to the project shown on final approved plans.

Council Bill 118785 and the PUDA

On September 6, 2016, Council will introduce and refer Council Bill (CB) 118785 to the Planning, Land Use and Zoning Committee. CB 118785 would amend the Official Land Use Map to rezone the property from NC2-40 to NC2-65 and from NC2P-40 to NC2P-65 and accept a PUDA.

The PUDA would limit future development on the site to the development analyzed and approved by SDCI through the current master use permit application and establish conditions to implement the Applicant's voluntary agreement to provide affordable housing as reflected in Exhibit 10 in the Hearing Examiner proceeding.

Next Steps

If PLUZ recommends approval of the proposed Findings, Conclusions and Decision and CB 118785, the rezone application could be ready for a Full Council vote on September 19, 2016. The PUDA attached to CB 118785 would need to be substituted at Full Council to include an executed PUDA, which also adds an omitted owner.

cc: Kirstan Arestad, Central Staff Executive Director
Ketil Freeman, Supervising Analyst

² Hearing Examiner's Exhibit 1.