

## MEMORANDUM

**To:** Councilmembers  
**From:** Ketil Freeman & Aly Pennucci  
**Date:** April 7, 2017  
**Subject:** CB 118940 – Downtown / South Lake Union Rezone Legislation

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At the Full Council meeting on Monday, April 10, 2017, [CB 118940](#) is scheduled for a discussion and vote. CB 118940 would change the zoning in the Downtown and South Lake Union neighborhoods (DT/SLU) to implement the Mandatory Housing Affordability (MHA) programs.

At the meeting on April 10, 4 amendments to CB 118940 may be offered (listed below). Attachments 1 through 4 include specific amendment language. If you have any questions about the proposed amendments or the content of the bill, please let Ketil Freeman or Aly Pennucci know.

### 1. **Finding of fact** (Johnson)

This amendment would add findings of fact that have been coordinated with the Law Department. The findings document how the City's process has met the requirements of [RCW 36.70A.540](#). The findings generally:

- Recite the background and legislative history and reference the framework legislation that established the MHA programs; and
- Describe the City's planning context and policy basis for the rezone and the implementation of the MHA-Residential program in the rezone area; and

### 2. **Family sized-units and Transportation management programs** (Johnson, O'Brien, Herbold)

These amendments were discussed at the PLUZ Committee meeting on March 21<sup>st</sup> but specific amendment language was not available for a committee vote. The Committee provided direction to Central Staff to prepare amendment language and package these items as one amendment for discussion and vote at Full Council. This amendment would:

- Allow up to 10 additional feet in height above the maximum residential height limit if a minimum of 10 family size units (units with 3 or more bedrooms) are included in the development with accessible outdoor space; and
- Require Transportation Management Programs (TMPs) for both residential and nonresidential development that are expected to generate 50 or more vehicle trips in any one p.m. hour in the SM-SLU and Downtown zones. The TMPs would be developed with a goal of achieving the mode-share targets established in the comprehensive plan for trips made by travel modes other than driving along.

### 3. **"Assumed Lot" Reporting Requirement** (Herbold)

This amendment would require that the Office of Planning and Community Development

and the Seattle Department of Construction and Inspections, in consultation with the Construction Codes Advisory Board, report to the Council on the use of lot subareas for the purposes of the application of development standards in the Land Use Code and construction codes.

Lot-subareas, which are referred to as “assumed lots,” for the purposes of calculating commercial density limits in South Lake Union, may currently be developed with what appear to be separate buildings that are part of a single structure. This provides flexibility for a development that is trying to maximize use of development capacity. The reporting requirement would help the Council understand whether that flexibility comes with tradeoffs for the purposes of applying other Land Use Code and construction code development standards.

**4. MHA-R performance and payment requirements (Herbold)**

This amendment would increase payment and performance requirements for the Mandatory Housing Affordability – Residential (MHA-R) Program over what is proposed by the Mayor.

For zones in Downtown and SLU where the MHA-R Program would be implemented, the amendment would establish a requirement (1) a 5% performance requirement and (2) a \$14.75 / square foot fee in-lieu of performance.

Payment amounts would be established using the methodology proposed for areas outside of Downtown and South Lake Union. In those areas fees are proposed to be established based on the capitalized value of the difference between market rate rent and rent affordable to household with an income equivalent to 60% of Area Median Income; assuming a performance requirement that varies depending on whether the area is a high, medium, or low residential market area.

**Attachments:**

1. Amendment 1: Findings of Fact
2. Amendment 2: TMPs and Family-sized units
3. Amendment 3: “Assumed Lot” Reporting Requirement
4. Amendment 4: MHA-R performance and payment requirements

cc: Kirstan Arestad, Central Staff Director

**Full Council – April 10, 2017**  
**Amendment 1 – Findings of Fact**  
**Sponsor: Councilmember Johnson**

Amend CB 118940 to adopt Finding of Facts which are adopted as Exhibit B to CB 118940.

*Note:*

*Language proposed to be added by this amendment is shown with a double underline.*

*Language proposed to be deleted by this amendment is shown with ~~double-strikeout~~*

Section 1. (~~RESERVED~~) The City Council hereby makes the Findings of Fact in Exhibit B to this ordinance.

**Exhibit B**

**FINDINGS OF FACT**

1. In November, 2015, by Ordinance 124895, the Council adopted SMC Chapter 23.58B.
2. In August, 2016, by Ordinance 125108, the Council adopted SMC Chapter 23.58C.
3. In December, 2016, by Ordinance 125233, the Council amended SMC Chapter 23.58B.
4. Through this ordinance, the Council is rezoning portions of the Downtown and South Lake Union Urban Centers and is implementing Chapter 23.58B and Chapter 23.58C in the areas being rezoned (the “Rezone Area”).
5. The findings of fact adopted by Section 1 of Ordinance 124895 and by Section 1 of Ordinance 125108 are incorporated herein by reference.
6. In addition to the findings referenced in paragraph 5, the Council makes the following findings of fact related to the implementation of Chapter 23.58C, also known as Mandatory Housing Affordability for Residential Development (MHA-R), in the Rezone Area.
7. In addition to the reports referenced in the findings referenced in paragraph 5, the City commissioned various additional reports, including the Seattle Residential Affordable Housing Impact and Mitigation Study, David Paul Rosen & Associates, December 16, 2016.

8. By applying MHA-R in the Rezone Area pursuant to this ordinance, the Council is implementing an affordable housing incentive program under RCW 36.70A.540.
9. The Rezone Area is an area where increased residential development will assist in achieving local growth management and housing policies. There is a need for increased residential development in the Rezone Area. The City's comprehensive planning efforts identify the Downtown and South Lake Union Urban Centers as a top priority area for job and housing growth. Increased residential development is essential to enhancing a vibrant urban center, to increasing housing choices and housing affordability, and to creating transit-oriented development – all as called for by the City's planning policies. Moreover, the City's Comprehensive Plan strongly supports addressing the compelling and increasing need for affordable housing in Downtown and South Lake Union through a program under RCW 36.70A.540.
10. This ordinance provides substantially increased residential development capacity in the Rezone Area.
11. The increased residential development capacity provided within the Rezone Area can be achieved, subject to consideration of other regulatory controls on development. Staff identified a few, very limited situations in which development standards could preclude the additional capacity from being achieved. To address these situations, the ordinance includes provisions for certain zones under which, if certain development standards would prevent a development from achieving certain measures of capacity, other development standards would be modified. In the unlikely event that the additional capacity could still not be achieved, the ordinance includes a provision by which payment and performance amounts under the MHA-R program would be modestly reduced if a development could not achieve certain size thresholds.
12. RCW 36.70A.540 provides that affordable housing incentive programs may allow a payment of money or property in lieu of low-income housing units if the jurisdiction determines that the payment achieves a result equal to or better than providing the affordable housing on-site, as long as the payment does not exceed the approximate cost of developing the same number and quality of housing units that would otherwise be developed. Based on a comprehensive analysis performed by staff, the Council determines that the foregoing standards are met by this ordinance. The staff analysis, contained in Appendix B to the Director's Report, is hereby incorporated by reference.
13. New market-rate housing is generally not affordable to lower-income households. At the same time, new market-rate housing creates an increased need for affordable housing to house lower-income workers who provide the goods and services purchased by residents of new market-rate housing. MHA-R requirements imposed on residential developments in the Rezone Area mitigate impacts of those developments in creating a need for affordable housing.
14. Implementation of MHA-R in the Rezone Area is reasonably related to the public harms identified in the findings adopted by Section 1 of Ordinance 125108 and to the City's legitimate public goals to fulfill its planning obligations under State law and to ensure access to affordable housing for all communities and households in Seattle, utilizing the tool of RCW 36.70A.540 provided by the Washington State Legislature.

**Full Council – April 10, 2017**  
**Amendment 2: Transportation Management Programs & Family-sized units incentive**  
**Sponsors: Councilmembers Johnson, O’Brien and Herbold**

Amendment to:

- (1) allow up to 10 additional feet in height above the maximum residential height limit for projects in the DT and SLU zones if a minimum of 10 family size units are included in the development with accessible outdoor space. *This will amend Sections 23.48.225 and 23.49.008.*
- (2) require Transportation Management Programs (TMPs) for both residential and non-residential development in the SM-SLU and Downtown zones. *This amendment adds a new section 23.48.290 in the Seattle Mixed-South Lake, adds a new subsection 23.49.019.J to require TMPs in Downtown zones and amends Sections 23.52.008 and 25.05.675 to include TMPs as a mitigation tool available in Downtown zones. This will require renumbering Sections 14 – 47 of CB 118940)*

Note:

Language proposed to be added by this amendment is shown with a double underline.  
Language proposed to be deleted by this amendment is shown with ~~double-strikeout~~

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Section 6. Section 23.48.225 of the Seattle Municipal Code, enacted by Ordinance 124883, is amended as follows:

**23.48.225 Structure height in South Lake Union Urban Center**

A. Base and maximum height limits

\* \* \*

3. In the SM-SLU (~~(85-240)~~) 85-280 zone, except as stated in subsections 23.48.225.C and (~~(23.48.225.E)~~) 23.48.225.E, the base height limit is the applicable height limit for portions of a structure if the structure does not gain extra residential floor area under the provisions of Chapter 23.58A, and the maximum residential height limit is the height limit for portions of a structure in residential use if the structure includes extra residential floor area under the provisions of Chapter 23.58A, and if the structure complies with the standards for residential tower development in this Chapter 23.48.

\* \* \*

D. In the SM-SLU 175/85-280, SM-SLU 240/125-440, and SM-SLU 85-280 zones, an additional 10 feet in height is permitted above the otherwise applicable maximum height limit for residential uses for a structure that includes residential dwelling units that comply with all of the following conditions:

1. Unit number and size. The structure includes a minimum of ten dwelling units that each have a minimum area of 900 gross square feet and include three or more bedrooms; and

2. Amenity area. Each dwelling unit shall have access to an outdoor amenity area that is located on the same story as the dwelling unit and meets the following standards:

a. The amenity area has a minimum area of 1300 square feet and a minimum horizontal dimension of 20 feet; and

b. The amenity area must be common amenity area, except that up to 40% of the amenity area may be private provided that: the private and common amenity area are continuous and are not separated by barriers more than 4 feet in height; and the private amenity areas are directly accessible from units meeting these requirements; and

c. The common amenity area includes children's play equipment; and

d. The common amenity area is located at or below a height of 85 feet.

E. A proposal to build a structure greater than 85 feet in height in the SM-SLU 85/65-160 and SM-SLU 160/85-240 zones and located north of Mercer Street and West of Fairview Avenue within the South Lake Union Urban Center, requires the applicant to show that the proposed structure height will not physically obstruct use of the flight path shown on Map A for 23.48.225 or endanger aircraft operations.

~~(E)~~F. All non-exempt floor area and residential floor area located above the base height is considered extra floor area. Extra floor area may be obtained above the base height, up to the maximum height, only through the provision of public amenities meeting the standards of Section 23.48.021 and Chapter 23.58A.

Section 14. A new Section 23.48.290 is added to the Seattle Municipal Code as follows:

**23.48.290 Transportation management programs**

A. When a development is proposed that is expected to generate 50 or more employee single-occupant vehicle (SOV) trips in any one p.m. hour, the applicant shall prepare and implement a Transportation Management Program (TMP) consistent with requirements for TMPs in any applicable Director's Rule.

1. For purposes of measuring attainment of SOV goals contained in the TMP, the proportion of SOV trips shall be calculated for the p.m. hour in which an applicant expects the largest number of vehicle trips to be made by employees at the site (the p.m. peak hour of the generator). The proportion of SOV trips shall be calculated by dividing the total number of employees using an SOV to make a trip during the expected peak hour by the total number of employee person trips during the expected peak hour.

2. Compliance with this section does not supplant the responsibility of any employer to comply with Seattle's Commute Trip Reduction (CTR) Ordinance.

B. An applicant who proposes multifamily development that is expected to generate 50 or more vehicle trips in any one p.m. hour or demand for 25 or more vehicles parking on the street overnight shall prepare and implement a TMP. The TMP shall be consistent with requirements for TMPs in any applicable Director's Rule. For purposes of measuring attainment of the SOV goal, the proportion of SOV trips shall be calculated for the p.m. hour in which an applicant

expects the largest number of vehicle trips to be made by residents of the site (the p.m. peak hour of the generator). The proportion of SOV trips shall be calculated by dividing the total number of residential trips made by SOV during the expected peak hour by the total number of residential person trips.

C. Each owner subject to the requirements of this section shall prepare a TMP as described in rules promulgated by the Director, as part of the requirements for obtaining a master use permit.

D. The TMP shall be approved by the Director if, after consulting with Seattle Department of Transportation, the Director determines that the TMP measures are likely to achieve the mode-share targets for trips made by travel modes other than driving alone for the South Lake Union Urban Center in 2035 that are contained in Seattle's Comprehensive Plan's Transportation Element.

E. All requirement to prepare and implement a TMP according to this Section 23.48.290 or to achieve additional floor area or additional height pursuant to subsections 23.48.021.D.2 or 23.48.230.f shall be satisfied solely by compliance with this Section 23.48.290.

Section 15. Section 23.49.008 of the Seattle Municipal Code, last amended by the ordinance introduced as Council Bill 118893, is amended as follows:

**23.49.008 Structure height**

\* \* \*

F. In all Downtown zones except the IDM 75-85 and PMM-85 zones and all DH1, DH2, and PSM zones, an additional 10 feet in height is permitted above the otherwise applicable maximum height limit for residential uses for a structure that includes residential dwelling units that comply with all of the following conditions:



1. Unit number and size. The structure includes a minimum of ten dwelling units that each have a minimum area of 900 gross square feet and include three or more bedrooms; and

2. Amenity area. Each dwelling unit shall have access to an outdoor amenity area that is located on the same story as the dwelling unit and meets the following standards:

a. The amenity area has a minimum area of 1300 square feet and a minimum horizontal dimension of 20 feet; and

b. The amenity area must be common amenity area, except that up to 40% of the amenity area may be private provided that: the private and common amenity area are continuous and are not separated by barriers more than 4 feet in height; and the private amenity areas are directly accessible from units meeting these requirements; and

c. The common amenity area includes children's play equipment; and

d. The common amenity area is located at or below a height of 85 feet.

Section 20. Section 23.49.019 of the Seattle Municipal Code, last amended by Ordinance 124952, is amended as follows:

**23.49.019 Parking quantity, location, and access requirements and screening and landscaping of parking areas**

\* \* \*

J. Transportation management programs

1. When a development is proposed that is expected to generate 50 or more employees single-occupant vehicle (SOV) trips in any one p.m. hour, the applicant shall prepare

and implement a Transportation Management Program (TMP) consistent with requirements for TMPs in any applicable Director's Rule.

a. For purposes of measuring attainment of SOV goals contained in the TMP, the proportion of SOV trips shall be calculated for the p.m. hour in which an applicant expects the largest number of vehicle trips to be made by employees at the site (the p.m. peak hour of the generator). The proportion of SOV trips shall be calculated by dividing the total number of employees using an SOV to make a trip during the expected peak hour by the total number of employee person trips during the expected peak hour.

b. Compliance with this section does not supplant the responsibility of any employer to comply with Seattle's Commute Trip Reduction (CTR) Ordinance.

2. An applicant who proposes multifamily development that is expected to generate 50 or more vehicle trips in any one p.m. hour or demand for 25 or more vehicles parking on the street overnight shall prepare and implement a TMP. The TMP shall be consistent with requirements for TMPs in any applicable Director's Rule. For purposes of measuring attainment of the SOV goal, the proportion of SOV trips shall be calculated for the p.m. hour in which an applicant expects the largest number of vehicle trips to be made by residents of the site (the p.m. peak hour of the generator). The proportion of SOV trips shall be calculated by dividing the total number of residential trips made by SOV during the expected peak hour by the total number of residential person trips.

3. Each owner subject to the requirements of this section shall prepare a TMP as described in rules promulgated by the Director, as part of the requirements for obtaining a master use permit.

4. The TMP shall be approved by the Director if, after consulting with the Seattle Department of Transportation, the Director determines that the TMP measures are likely to achieve the mode-share targets for trips made by travel modes other than driving alone for the Downtown Urban Center in 2035 that are contained in Seattle's Comprehensive Plan's Transportation Element.

Section ##. Section 23.52.008 of the Seattle Municipal Code, last amended by Ordinance 124378, is amended as follows:

**23.52.008 Transportation impact mitigation**

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C. Impact mitigation. Based upon the results of the transportation impact analysis the Director may condition permit approval, as a Type I decision, to mitigate or prevent transportation impacts.

1. Except as provided by subsection 23.52.008.C.2, required mitigation may include, but is not limited to:

- a. changes in access;
- b. changes in the location, number and size of curb cuts and driveways;
- c. provision of transit incentives, including transit pass subsidies;
- d. bicycle parking, and shower facilities for bicycle commuters;
- e. signage, including wayfinding;
- f. improvements to vehicular, pedestrian and bicycle traffic facilities or operations including signalization, turn channelization, right-of-way dedication, street widening, pedestrian and bicycle facilities improvements, and lighting;
- g. transportation management plans;

h. parking management strategies including, but not limited to, unbundling parking from building-space leases, reserved parking spaces for vanpools, and reduction in the amount of parking to be provided; and

i. participation in a transportation mitigation payment program or transportation management association, where available.

2. Mitigation that may be required for residential projects in downtown zones or the residential portion of mixed use projects in downtown zones is limited to:

a. signage, including wayfinding;

b. provision of information on transit and ride-sharing programs; ~~((and))~~

c. bicycle parking ~~((=))~~ ; and

d. transportation management plans.

\* \* \*

Section ##. Section 25.05.675 of the Seattle Municipal Code, last amended by Ordinance 125233, is amended as follows:

**25.05.675 Specific environmental policies**

\* \* \*

R. Traffic and Transportation

\* \* \*

2. Policies.

a. It is the City's policy to minimize or prevent adverse traffic impacts which would undermine the stability, safety and/or character of a neighborhood or surrounding areas.

b. In determining the necessary traffic and transportation impact mitigation, the decisionmaker shall examine the expected peak traffic and circulation pattern of the proposed project weighed against such factors as the availability of public transit; existing vehicular and pedestrian traffic conditions; accident history; the trend in local area development; parking characteristics of the immediate area; the use of the street as determined by the Seattle Department of Transportation's Seattle Comprehensive Transportation Plan; and the availability of goods, services and recreation within reasonable walking distance.

c. Mitigation of traffic and transportation impacts shall be permitted whether or not the project meets the criteria of the Overview Policy set forth in SMC Section 25.05.665.

d. Mitigation measures which may be applied to residential projects in downtown are limited to the following:

i. Signage;

ii. Provision of information on transit and ride-sharing programs;

~~((and))~~

iii. Bicycle parking ~~((=))~~ ; and

iv. Transportation management plans.

e. Mitigating measures which may be applied to nonresidential projects in downtown are limited to the following:

i. Provision of transit incentives including transit pass subsidies;

ii. Signage;

iii. Improvements to pedestrian and vehicular traffic operations, signalization, turn channelization, right-of-way dedication, street widening, or other improvements proportionate to the impact of the project; and

iv. Transportation management plans.

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**Full Council – April 10, 2017**  
**Amendment 3 – “Assumed Lot” Reporting Requirement**  
**Sponsor: Councilmember Herbold**

Amend CB 118940 to require that the Office of Planning and Community Development and the Seattle Department of Construction and Inspections, in consultation with the Construction Codes Advisory Board, report to the Council on the use of lot subareas for the purposes of the application of development standards in the Land Use Code and construction codes.

*Note:*

*Language proposed to be added by this amendment is shown with a double underline.*

Section 47. Council requests that the Office of Planning and Community Development and the Seattle Department of Construction and Inspections, in consultation with the Construction Codes Advisory Board, report to Council’s Planning Land Use and Zoning Committee by July 31, 2017, on the use of lot sub-areas, sometimes referred to as “development sites,” for the purposes of the application of Land Use Code development standards and standards in technical codes, such as the Building Code, Electrical Code, Energy Code, and Fire Code. The report shall include (1) a discussion of advantages and disadvantages of application of development standards to lot sub-areas as opposed to the lot itself, (2) illustrative examples from development within the South Lake Union Urban Center and for live-work units, and (3) a recommendation on any proposed changes to the Land Use Code and technical codes.

[Renumber Sections Below]

Full Council – April 10, 2017

**Amendment 4: Mandatory Housing Affordability - Residential Payment and Performance Requirements**

**Sponsor: Councilmember Herbold**

Amendment to increase payment and performance requirements under the Mandatory Housing Affordability – Residential Program.

*Note:*

*Language proposed to be added by this amendment is shown with a double underline.*

*Language proposed to be deleted by this amendment is shown with ~~double-strikeout~~*

Section 40. Subsection 23.58C.040.A of the Seattle Municipal Code, which section was last amended by the ordinance introduced as Council Bill 118914, is amended as follows:

**23.58C.040 Affordable housing – payment option**

**A. Payment amount**

1. An applicant complying with this Chapter 23.58C through the payment option shall provide a cash contribution to the City, calculated by multiplying the payment calculation amount per square foot according to Table A or Table B for 23.58C.040 and Map A for 23.58C.050, as applicable, by the total gross floor area in the development, excluding the floor area of parking located in stories or portions of stories that are underground, as follows:

a. In the case of construction of a new structure, the gross floor area in residential use and the gross floor area of live-work units;

b. In the case of construction of an addition to an existing structure that results in an increase in the total number of units within the structure, the gross floor area in residential use and the gross floor area of live-work units in the addition;

c. In the case of alterations within an existing structure that result in an increase in the total number of units within the structure, the gross floor area



calculated by dividing the total gross floor area in residential use and gross floor area of live-work units by the total number of units in the proposed development, and multiplying that quotient by the net increase in units in the structure;

d. In the case of change of use that results in an increase in the total number of units, the gross floor area that changed to residential use or live-work units; or

e. Any combination of the above.

<b>Table A for 23.58C.040</b>	
<b>Payment calculation amounts: In Downtown, SM-SLU, and SM-U 85 zones</b>	
<b>Zone</b>	<b>Payment calculation amount per square foot</b>
<u>DH1/45</u>	<u>Not Applicable</u>
<u>DH2/55</u>	<u>Not Applicable</u>
<u>DH2/75</u>	<u><del>\$12.75</del> 14.75</u>
<u>DH2/85</u>	<u>Not Applicable</u>
<u>DMC 75</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMC 85/65-150</u>	<u>Not Applicable</u>
<u>DMC 95</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMC 145</u>	<u><del>\$13.00</del> 14.75</u>
<u>DMC 170</u>	<u><del>\$5.50</del> 14.75</u>
<u>DMC 240/290-440</u>	<u><del>\$8.25</del> 14.75</u>
<u>DMC 340/290-440</u>	<u><del>\$8.25</del> 14.75</u>
<u>DMR/C 65/65-85</u>	<u>Not Applicable</u>
<u>DMR/C 65/65-150</u>	<u>Not Applicable</u>
<u>DMR/C 95/75</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMR/C 145/75</u>	<u><del>\$11.75</del> 14.75</u>
<u>DMR/C 280/125</u>	<u><del>\$13.00</del> 14.75</u>
<u>DMR/R 95/65</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMR/R 145/65</u>	<u><del>\$11.75</del> 14.75</u>
<u>DMR/R 280/65</u>	<u><del>\$13.00</del> 14.75</u>
<u>DOC1 U/450-U</u>	<u><del>\$12.00</del> 14.75</u>
<u>DOC2 500/300-550</u>	<u><del>\$10.25</del> 14.75</u>
<u>DRC 85-170</u>	<u><del>\$10.00</del> 14.75</u>
<u>All IDM zones</u>	<u>Not Applicable</u>
<u>All IDR and IDR/C zones</u>	<u>Not Applicable</u>
<u>PMM-85</u>	<u>Not Applicable</u>
<u>All PSM zones</u>	<u>Not Applicable</u>
<u>SM-SLU 85/65-160</u>	<u>Not Applicable</u>
<u>SM-SLU 85-280</u>	<u><del>\$10.00</del> 14.75</u>
<u>SM-SLU 100/95</u>	<u><del>\$7.50</del> 14.75</u>
<u>SM-SLU 100/65-145</u>	<u><del>\$7.75</del> 14.75</u>
<u>SM-SLU 145</u>	<u><del>\$7.75</del> 14.75</u>

<b>Table A for 23.58C.040</b>	
<b>Payment calculation amounts: In Downtown, SM-SLU, and SM-U 85 zones</b>	
<b>Zone</b>	<b>Payment calculation amount per square foot</b>
<u>SM-SLU 175/85-280</u>	<del>\$10.00</del> <u>14.75</u>
<u>SM-SLU 240/125-440</u>	<del>\$10.00</del> <u>14.75</u>
<u>SM-SLU/R 65/95</u>	<del>\$12.75</del> <u>14.75</u>
<u>SM-U 85</u>	<del>\$13.25</del> <u>14.75</u>

\* \* \*

Section 41. Section 23.58C.050 of the Seattle Municipal Code, last amended by the ordinance introduced as Council Bill 118914, is amended as follows:

**23.58C.050 Affordable housing – performance option**

A. Performance amount

1. An applicant complying with this Chapter 23.58C through the performance option shall provide, as part of the units to be developed in each structure, a number of units that meet the requirements according to subsection 23.58C.050.C calculated by multiplying the percentage set aside according to Table A or Table B for 23.58C.050 and Map A for 23.58C.050, as applicable, by the total number of units to be developed in each structure.

2. If the number of units that meet the requirements according to subsection 23.58C.050.C calculated according to subsection 23.58C.050.A.1 equals less than two, the applicant shall:

- a. Round up to two units; or
- b. Provide one dwelling unit that meets the requirements according to subsection 23.58C.050.C that is three bedrooms or larger, as determined by the Director of Housing.

3. If the number of units that meet the requirements according to subsection 23.58C.050.C calculated according to subsection 23.58C.050.A.1 equals two or more and includes a fraction of a unit, the applicant shall:

a. Round up to the nearest whole unit; or

b. Round down to the nearest whole unit and pay a cash

contribution for the fraction of a unit not otherwise provided, calculated by multiplying the performance calculation amount per square foot according to Table A or Table B for 23.58C.040 and Map A for 23.58C.050, as applicable, by the total gross floor area to be developed as measured according to subsection 23.58C.040.A.1, multiplying that product by the fraction of a unit not provided, and dividing the resulting number by the total number of units required to be provided based on the calculation according to subsection 23.58C.050.A.1. Use of cash contributions according to this subsection 23.58C.050.A.3.b shall be governed according to subsection 23.58C.040.B.

4. When the applicant elects to comply with this Chapter 23.58C through the performance option for a development that contains multiple structures and the calculation according to subsection 23.58C.050.A.1 results in fractions of units in more than one structure, the Director may, as a Type I decision in consultation with the Director of Housing, allow such fractions of units to be combined, provided:

a. If the sum of the combined fractions of units calculated according to this subsection 23.58C.050.A.4 equals fewer than two, the applicant shall:

1) Round up to two units; or

2) Provide one dwelling unit that meets the requirements according to subsection 23.58C.050.C that is three bedrooms or larger, as determined by the Director of Housing;

b. If the sum of the combined fractions of units calculated according to this subsection 23.58C.050.A.4 equals two or more and includes a fraction of a unit, the applicant shall:

1) Round up to the nearest whole unit; or

2) Round down to the nearest whole unit and pay a cash contribution for the fraction of a unit not otherwise provided, calculated according to subsection 23.58C.050.A.3.b; and

c. The construction of the structure(s) containing the units that meet the requirements according to subsection 23.58C.050.C shall be completed at the same time or at an earlier time than completion of construction of other structures in the development containing units.

<b>Table A for 23.58C.050</b>	
<b>Performance calculation amounts: In Downtown, SM-SLU, and SM-U 85 zones</b>	
<b>Zone</b>	<b>Percentage set-aside per total number of units to be developed in each structure</b>
<u>DH1/45</u>	<u>Not Applicable</u>
<u>DH2/55</u>	<u>Not Applicable</u>
<u>DH2/75</u>	<u>5.0%</u>
<u>DH2/85</u>	<u>Not Applicable</u>
<u>DMC 75</u>	<u>5.0%</u>
<u>DMC 85/65-150</u>	<u>Not Applicable</u>
<u>DMC 95</u>	<u>5.0%</u>

**Table A for 23.58C.050**

**Performance calculation amounts:  
In Downtown, SM-SLU, and SM-U 85 zones**

<b>Zone</b>	<b>Percentage set-aside per total number of units to be developed in each structure</b>
<u>DMC 145</u>	<u>5.05.1%</u>
<u>DMC 170</u>	<u>5.02.1%</u>
<u>DMC 240/290-440</u>	<u>5.03.2%</u>
<u>DMC 340/290-440</u>	<u>5.03.2%</u>
<u>DMR/C 65/65-85</u>	<u>Not Applicable</u>
<u>DMR/C 65/65-150</u>	<u>Not Applicable</u>
<u>DMR/C 95/75</u>	<u>5.0%</u>
<u>DMR/C 145/75</u>	<u>5.04.6%</u>
<u>DMR/C 280/125</u>	<u>5.05.1%</u>
<u>DMR/R 95/65</u>	<u>5.0%</u>
<u>DMR/R 145/65</u>	<u>5.04.6%</u>
<u>DMR/R 280/65</u>	<u>5.05.1%</u>
<u>DOC1 U/450-U</u>	<u>5.04.7%</u>
<u>DOC2 500/300-550</u>	<u>5.04.0%</u>
<u>DRC 85-170</u>	<u>5.03.9%</u>
<u>All IDM zones</u>	<u>Not Applicable</u>
<u>All IDR and IDR/C zones</u>	<u>Not Applicable</u>
<u>PMM-85</u>	<u>Not Applicable</u>
<u>All PSM zones</u>	<u>Not Applicable</u>
<u>SM-SLU 85/65-160</u>	<u>Not Applicable</u>
<u>SM-SLU 85-280</u>	<u>5.03.9%</u>
<u>SM-SLU 100/95</u>	<u>5.02.9%</u>
<u>SM-SLU 100/65-145</u>	<u>5.03.0%</u>
<u>SM-SLU 145</u>	<u>5.03.0%</u>

**Table A for 23.58C.050**

**Performance calculation amounts:  
In Downtown, SM-SLU, and SM-U 85 zones**

<b>Zone</b>	<b>Percentage set-aside per total number of units to be developed in each structure</b>
<u>SM-SLU 175/85-280</u>	<u>5.03.9%</u>
<u>SM-SLU 240/125-440</u>	<u>5.03.9%</u>
<u>SM-SLU/R 65/95</u>	<u>5.0%</u>
SM-U 85	6.0%