



First Hill Landmarks Preservation

Seattle Office of Planning and Community Development (OPCD) Director's Report and Recommendation September 2021

Overview

This proposed legislation would allow for the use of existing landmark preservation incentives to preserve and maintain Landmarks in the NC3-200 and NC3P-200 zones. Specifically:

- This legislation would allow for the transfer of landmark development rights or development potential within the NC3-200 and/or NC3P-200 zones.
- All NC3-200 and NC3P-200 zones are located in the First Hill/Capitol Hill Urban Center
- Currently there is one designated Landmark in this area, the Sorrento Hotel, and several potential landmarks.
- The ordinance would allow some buildings to reach a height of 350 feet through use of this incentive. Height limits for adjacent properties, with other zoning classifications, is 400 and 200 feet.
- Adjacent property with High Rise (HR) zoning is currently allowed to use this incentive.

Historic Preservation Incentives

A number federal, state, and local incentives exist to preserve and maintain designated Landmarks. Local incentives include zoning code relief that allows flexibility in permitted uses within landmarked structures, exemptions from floor area limits for portions of Landmarks included in new development projects, potential tax valuation incentives, and the ability to sell and transfer unused development potential to other properties.

Known as Transfer of Development Potential (TDP) for commercial structures and Transfer of Development Rights (TDR) for residential structures, this incentive allows a sending site (the site of the Landmark) to sell the increment of extra floor area allowed by zoning regulations but that cannot be developed without redeveloping the Landmark. This extra floor area can be sold and transferred to eligible receiving sites in Seattle with the requirement that proceeds from the sale be used for rehabilitation and maintenance of the Landmark. This incentive is currently available Downtown, in the Uptown and University District Urban Centers, and in High Rise (HR) zones which are located in various urban villages and urban centers throughout the City, including on First Hill.

The legislation extends the provisions of SMC 23.58A, which establishes procedures for TDR and TDP, to the NC3-200 and NC3P-200 zones, which are currently only located in First Hill. It would allow

landmarked properties in those zones to send/sell their TDR and TDP and allows receiving sites in those zones to exceed otherwise applicable Height and FAR limits to accommodate transferred floor area. Through TDR or TDP receiving sites may achieve a height of up to 350 feet.

Geography and Current Zoning

All property in the NC3 200 and NC3P 200 zones is located on approximately 9 blocks in the Capitol Hill/First Hill Urban Center. This zoning runs on along Madison Street between Interstate 5 and Broadway Avenue East to a depth of between one-half and 2 blocks north and south of Madison Street. Property adjacent to this strip of NC3P-200 and NC3-200 zoning is zoned either High Rise (HR) or in a Major Institution Overlay (MIO) with height limits of 440 and 240 respectively. As noted above, TDR and TDP are already currently allowed in the High-Rise residential (HR) zone, meaning that many of the properties directly adjacent to the affected areas (see Figure 1, below) could already utilize Landmark TDR/TDP to build up to 350 ft. Other landmarked structures in First Hill with HR zoning that have benefited from selling their development potential include Town Hall and The Frye art museum.

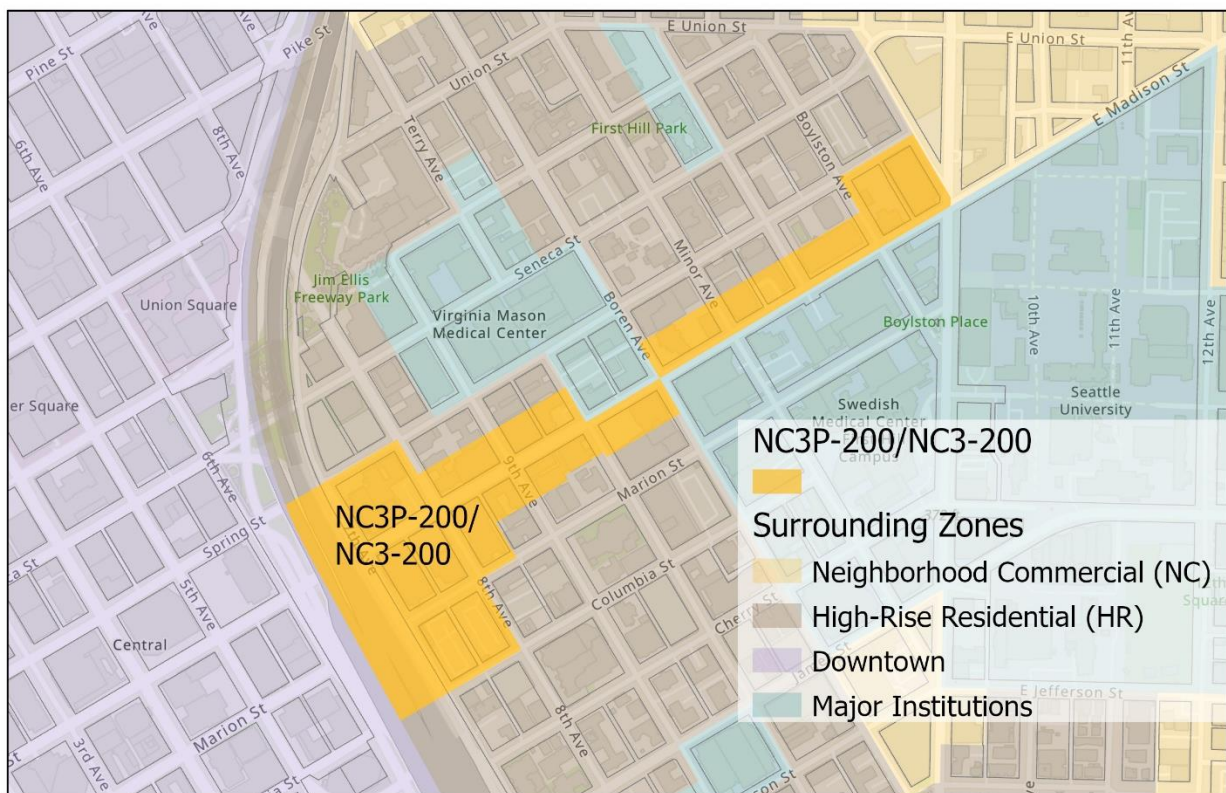


Figure 1: Area subject to proposed legislation

The Sorrento Hotel

Presently, the Sorrento Hotel is the only designated City of Seattle Landmark in this zone that could benefit from the transfer of development potential, however there are several other structures that could be eligible for Landmark status, if nominated then designated by the City's Landmark Preservation Board. The Sorrento Hotel, at the intersection of E. Madison Street and E. Terry Avenue, was built in 1909 and has operated continuously as a hotel since its opening. On the same block as the hotel,

immediately to the west, is a parking structure that is currently owned by the Sorrento Hotel. The Sorrento Hotel is currently under contract to sell the parking garage which will be redeveloped at some point in the future. Adoption of this legislation will allow the Sorrento Hotel and the new owners of the parking garage to use the TDP provisions of 23.58.A for long-term preservation and maintenance of the Sorrento Hotel and future redevelopment of the parking garage. Other properties with NC3 200 and NC3P 200 zoning could, in the future, also participate as a sending site once designed as a City Landmark.

Recommendation

OPCD recommends adoption of this amendment. Allowing the City's TDR/TDP provisions to apply along Madison Avenue in First Hill is a natural extension of land use code incentives that already apply elsewhere Downtown and in other areas of First Hill and is consistent with the City's goals of protecting historic structures and allowing flexibility for development in areas where appropriate. Allowing TDR from the Sorrento Hotel will provide for long-term rehabilitation and maintenance of this City Landmark. Additionally, allowing the transfer of floor area to the adjacent half block would facilitate redevelopment of the parking garage consistent with the goals of the pedestrian overlay district.