

# Downtown Retail Core Zoning Amendment



Director's Report and Recommendation  
Office of Planning and Community Development  
June, 2023



# Introduction

In April of 2023, Mayor Bruce Harrell unveiled the first stage of a Downtown Activation Plan to revitalize and reimagine Seattle's downtown. Mayor Harrell introduced a set of immediate actions and short-term steps to make downtown neighborhoods safe, welcoming, and active, including issuing an Executive Order to address the public health and safety impacts of the fentanyl crisis. Mayor Harrell called for building toward the downtown of the future – a complete and thriving downtown neighborhood welcoming to families, workers, small businesses, visitors, tourists, and everyone who calls Seattle home.

The proposed land use legislation is one component of the Downtown Activation Plan. We propose to rezone 11 parcels of land that are strategically located within a 5-block area near the center of downtown. Zoning would be changed from the Downtown Retail Core (DRC) zone to the Downtown Mixed Commercial (DMC) zone. We believe the legislation will spur progress towards the following objectives:

- Increase the livability and vitality of blocks that are centrally located within Downtown.
- Increasing residential units within the center of downtown to draw more tenants and activate the street level retail and bring more live, work, play environment.
- Encouraging new investment that can upgrade the physical environment to better address current conditions.

# Background

Several existing conditions warrant a change to zoning for some of the Downtown Retail Core.

**Trends in Retail.** Retail is undergoing a transformation brought about by advances in technology and changes in behavior. An expansion of online retailing that was accelerated during the COVID-19 pandemic has led to weakened demand for traditional brick and mortar retail space in some areas including Downtown Seattle. Land use policy and zoning for Seattle's Downtown Retail Core was created long before current online retail trends. The function and character of central downtown as a destination shopping center has declined to some degree. At the time of this writing there are numerous empty ground floor retail spaces in the retail core area. (See figure 17). Reasons for the vacancies are varied, but a contributing factor is the permanent move away from brick-and-mortar shopping. In consideration of this trend a modest reduction to the size and scope of the Downtown Retail Core should be considered.

**Unique Third Avenue Corridor Conditions.** The Third Avenue corridor in downtown Seattle has some of the highest bus transit frequency and bus transit ridership of anywhere in the country. At peak hours, composite activity on Third Avenue creates an overcrowded public realm. The high pedestrian volumes and long bus queues, with little discretionary staying or

lingering create an activity pattern that is not fully compatible with a retail core environment. Third Avenue passes through the western edge of the current Downtown Retail Core zone designation.

**Limited Investment.** In recent years, new development has been more limited in the Downtown Retail Core zone compared to other nearby zones in the downtown area. As a result of a lack of recent investment combined with the heavy volume of transit riders passing through the streetscape, there are signs of deferred maintenance, outdated facades, and street furniture in disrepair. These physical features negatively impact the pedestrian experience and, indirectly, the vitality of adjacent businesses. Therefore, strategies to encourage new investment and revitalization of physical structures could be warranted.

**Residential uses.** Neighboring zones to the Downtown Retail Core area have produced construction of residential tower structures in the 40-story range. Examples in close proximity include the West Edge apartment building at 2<sup>nd</sup> Ave. and Pike St. (2018, 340 units), the 1521 Second Avenue condominium building near 2<sup>nd</sup> Ave. and Pine St. (2008, 146 units), and the Emerald condominium building at 2<sup>nd</sup> Ave. and Stewart St. (2020, 264 units). No similar residential development has occurred in the Downtown Retail Core within the same time period. In the post-pandemic context of decreased demand for office uses, increasing residential use in downtown is a policy goal for Seattle. Full time residents support nearby businesses and generate other economic activity downtown.

**Disruption of street disorder.** During research for this proposal OPCD consulted directly with property owners who manage buildings in the proposed rezone area. All of the owners reported illicit activities adjacent to their buildings including sales of illegal narcotics and stolen goods and vandalism of property. Significant new construction activity in the area would be one way to disrupt patterns of street disorder and illicit activity. Construction activity for major new development often spans one to two years. The disruptive effects of construction in key blocks could be a step towards resetting existing negative activity patterns in core blocks.

**Support for Downtown Schools.** Support by the City of Seattle for a downtown school is a priority, and the City is in coordinating discussions with Seattle Public Schools. Innovative configuration of an urban school could be as part of mixed-use building. A location in downtown that is well served by light rail and other transit would allow very convenient access by students, faculty and parents. To incentivize the potential inclusion of a new school a part of this proposal is to increase the allowable podium height of a structure if it includes an elementary or secondary school and allow a corresponding maximum height increase for residential use in the same structure.

# Proposal

The Office of Planning and Community Development proposes to make a zoning map change and small amendments to text provisions of the Land Use Code (Seattle Municipal Code Title 23) to revitalize the retail core area along the third Avenue. The proposal contains the following elements:

1. Rezone parts of the Retail Core area into mixed commercial. The proposed rezone is from DRC 85-170 to DMC 240/290-440.
2. Amend the land use code at SMC 23.49.058.D to address tower spacing to apply a 60-foot tower spacing requirement for the proposed rezone area.
3. Amend the land use code at SMC 23.49.058.A allowing a podium height of 85 feet, and amending SMC 23.49.008.B giving a height limit exception of 10 percent, for a structure that contains an elementary or secondary school.

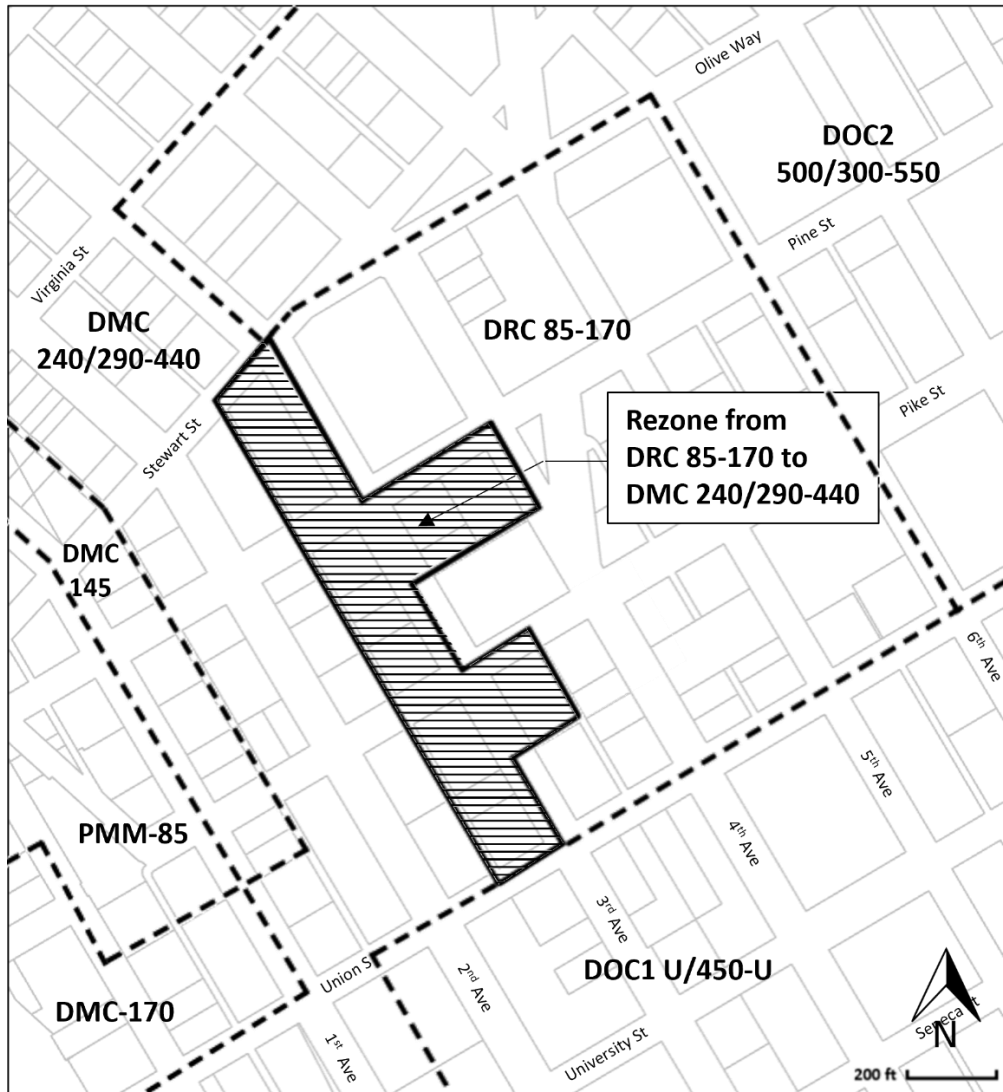


Figure 1 Proposed Rezone Area Map



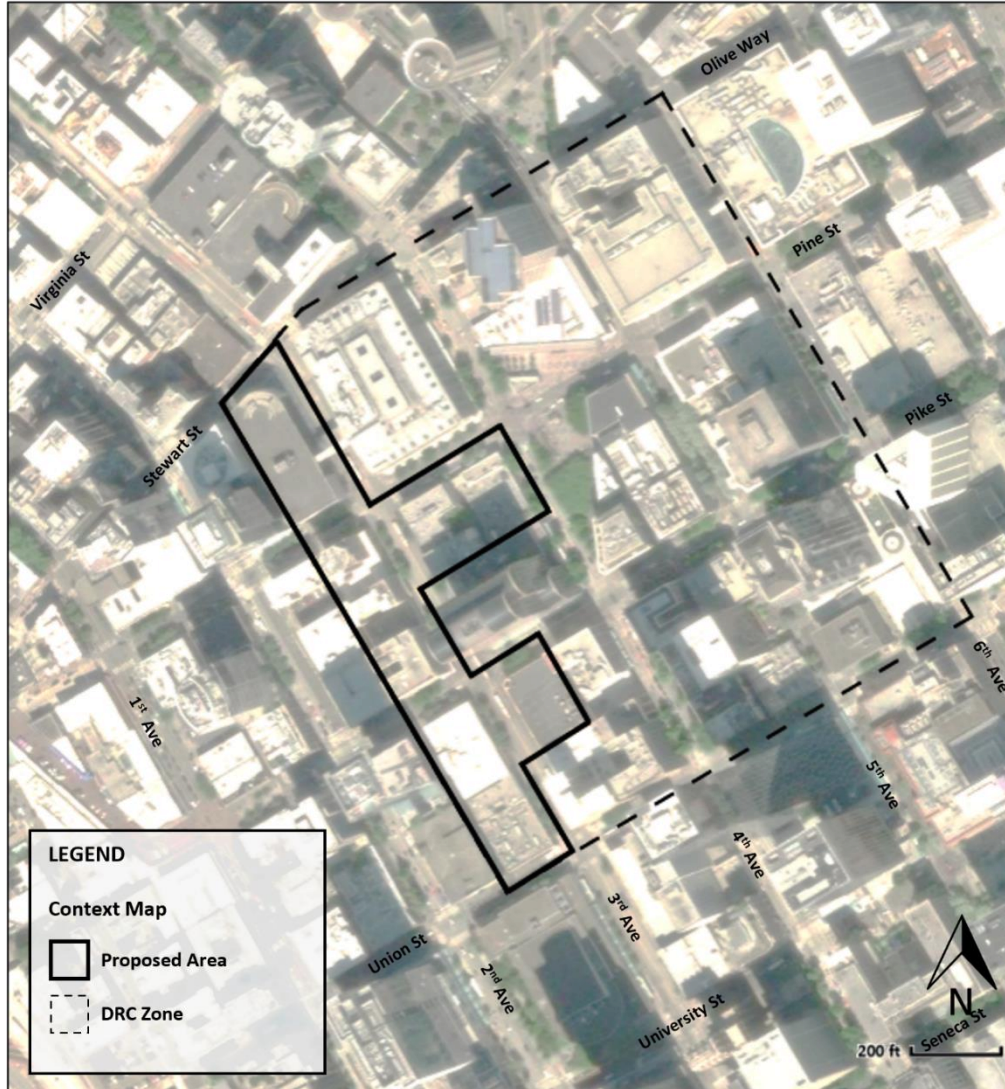


Figure 2 Aerial Image of the rezone area with existing context

The map above is an aerial image showing the proposed rezone area and the existing extent of the Downtown Retail Core (DRC) zone.

The following discussion summarizes what the key changes to development standards would be between the DRC zone and the DMC zones. This is a summary and not all changes can be summarized concisely in this report. The comparison focuses on the standards that govern the scale and qualities of potential development the most.

**HEIGHT LIMITS**

<b>DRC 85-170 (Existing)</b>	<b>DMC 240/290-440 (Proposed)</b>
<p>The base height limit is 85 feet, except that the base height limit is 170 feet if:</p> <ul style="list-style-type: none"> <li>• All portions of a structure above 85 feet contain only residential use; or</li> <li>• At least 25 percent of the gross floor area of all structures on a lot is in residential use; or</li> <li>• A minimum of 1.5 FAR of eating and drinking establishments, retail sales, and service or entertainment uses, or any combination thereof, is provided on the lot.</li> </ul>	<ul style="list-style-type: none"> <li>• The height limit for non-residential and live-work uses is 240 feet, the first figure after the zone designation.</li> <li>• For residential use, the base height limit is 290 feet</li> <li>• For residential use the maximum height is 440 feet. The maximum height is available to structures in residential use that use the bonus.</li> </ul>

**The overall effect of the change to height limits** is that substantially taller tower structures could be built in the rezoned area. Maximum height limits would increase by 70 feet for commercial uses and 270 feet for residential uses. The change would allow a different scale of tall residential tower. Height is not the only standard that governs potential building form. Other key standards such as floor plate limits apply that govern the form of development.

**FLOOR AREA RATIO (FAR) AND INCENTIVE ZONING STRUCTURE**

<b>DRC 85-170 (existing)</b>	<b>DMC 240/290-440 (proposed)</b>
<p><b>Base FAR: 3</b> <b>Maximum FAR: 6</b> (Does not apply to residential development because residential use is exempt from FAR limits.)</p>	<p><b>Base FAR: 5</b> <b>Maximum FAR: 8</b> (Does not apply to residential development because residential use are is exempt from FAR limits.)</p>
<p><b>Bonus Floor Area (for Commercial Development)</b> The bonus structure to build FAR above the base amount is summarized below and is the same for the existing and proposed zones except items with an * only apply to the proposed DMC zone.</p> <ul style="list-style-type: none"> <li>• * First 0.25 increment of FAR through Regional Development Credits</li> <li>• 75 percent of bonus floor area derived from affordable housing (via MHA), and a contribution to child care</li> <li>• 25 percent of bonus floor area from a combination of landmark or open space TDR or downtown amenities.</li> </ul>	

<p><b>Key FAR Exemptions:</b></p> <p>The FAR exemptions are the same for most uses under the existing DRC zone, and the proposed DMC 240/290-440 zone in the rezone location because Map 1j of the downtown code applies these exemptions to a mapped area that includes the land in this proposal.</p> <ul style="list-style-type: none"> <li>• Residential use</li> <li>• Uses in 23.49.009.A (required active street level uses)</li> <li>• Shopping atria</li> <li>• Child care centers</li> <li>• Human service use</li> <li>• Museums</li> <li>• Performing arts theaters</li> <li>• Floor area below grade</li> <li>• Public restrooms</li> <li>• Major retail stores</li> <li>• Shower facilities for bike commuters</li> <li>• City facility (police, fire station)</li> </ul>
<p>Elementary of secondary schools are exempt from FAR limits in the proposed DMC 240/290-440 zone but not the existing DRC zone.</p>

**The overall effect of the zone change with respect to FAR limits** is an increase to overall development capacity for commercial development. The maximum FAR limit for commercial development would increase by 33 percent from 6 to 8. However, in the foreseeable future new commercial/office development is not anticipated in this area. The proposed change is focused on residential development. Since residential is exempt from FAR limits in the existing and proposed zones, the scale and quantity of residential development would be controlled by other building envelope standards. The incentives to gain bonus FAR are very similar between the existing and proposed zones.

**ALLOWED AND PROHIBITED USES**

DRC 85-170	DMC 240/290-440
<p>All uses are allowed except for a narrow list of prohibited uses:</p> <ul style="list-style-type: none"> <li>• Drive-in businesses</li> <li>• Outdoor storage;</li> <li>• general and heavy manufacturing uses</li> <li>• Solid waste management and recycling</li> <li>• All high-impact uses.</li> </ul>	<p>All uses are allowed except for a narrow list of prohibited uses:</p> <ul style="list-style-type: none"> <li>• Drive-in businesses</li> <li>• Outdoor storage;</li> <li>• general and heavy manufacturing uses;</li> <li>• Solid waste management amd recycling,</li> <li>• high-impact uses;</li> <li>• adult theaters and panorams;</li> <li>• Flexible-use parking garages for long-term parking</li> </ul>

**The overall effect of the proposed change with respect to allowed and prohibited uses** is negligible. The standards under the existing zone and the proposed zone are nearly identical.

**STREET LEVEL USES AND FACADE REQUIREMENTS**

DRC 85-170	DMC 240/290-440
<p><b>Active street level uses.</b> All streets in the proposed zone change area are streets requiring active street level uses regardless of the zone by the downtown zoning chapter. 75 percent of the street frontage would have to be occupied by the following uses:</p> <ul style="list-style-type: none"> <li>• General sales and services</li> <li>• Human services and child care</li> <li>• Retail sales, major durables</li> <li>• Entertainment uses</li> <li>• Museums</li> <li>• Libraries</li> <li>• Schools*</li> <li>• Public atriums</li> <li>• Eating and drinking establishments</li> <li>• Arts facilities</li> <li>• Religious facilities</li> <li>• Bicycle parking</li> </ul> <p>*Except schools are not one of the options in the DRC zone.</p>	
<p><b>Facade requirements</b></p> <ul style="list-style-type: none"> <li>• Minimum facade height of 35 feet</li> <li>• Facades must be placed close to the sidewalk</li> <li>• 60 percent transparency requirement for ground floor facade</li> <li>• Limitation on blank facades</li> </ul>	<p><b>Facade requirements</b></p> <p>Standards are set according to the street classification, and all streets in the affected area are Class I Pedestrian Streets. The following standards apply:</p> <ul style="list-style-type: none"> <li>• Minimum facade height of 25 feet</li> <li>• Facades must be placed close to the sidewalk</li> <li>• 60 percent transparency requirement for ground floor facades</li> <li>• Blank facade limits</li> </ul>

**The overall effect of the proposed change with respect to street level uses and facade requirements** is negligible. The standards under the existing zone and the proposed zone are nearly identical.

**TOWER SPACING, UPPER LEVEL DEVELOPMENT STANDARDS, AND FLOOR PLATE LIMITS**

DRC 85-170	DMC 240/290-440
<ul style="list-style-type: none"> <li>• 15-foot setback required above 85 feet of structure height</li> </ul>	<ul style="list-style-type: none"> <li>• Proposed legislation would set tower separation at 60 feet for the affected area, which is the same as the Denny Triangle area.</li> </ul>



	<ul style="list-style-type: none"> <li>• Average residential tower floor area limit per story is 10,700 sq. ft.</li> <li>• Maximum residential tower floor area limit per story is 11,500 sq. ft.</li> <li>• Commercial towers are required to be modulated</li> <li>• Maximum tower width of 120 feet</li> <li>• 15-foot setback required above 45 feet on green streets</li> </ul>
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**The overall effect of the change** is that taller residential structures would be allowed in the DMC zone, but they are subject to numerous controls that would limit the bulk. The development standards of the proposed DMC 240/290-440 zone would result in relatively slender tall residential towers. Under existing regulations residential structures would be lower, but could have a bulkier presence since there are not floor plate or width limits under current conditions. (See examples below).

**PARKING**

DRC 85-170	DMC 240/290-440
<ul style="list-style-type: none"> <li>• No long or short term parking is required in downtown zones.</li> <li>• Flexible-use parking garages for long-term parking are prohibited.</li> <li>• Flexible-use parking garages for short-term parking are allowed by conditional use.</li> <li>• Accessory parking garages for long and short term parking are allowed up to the parking maximum of 1 space per 1,000 sq. ft. of commercial floor area.</li> </ul>	

**The overall effect of the change on parking** is negligible. The core standards governing parking are identical.

**ENCOURAGEMENT FOR INCLUSION OF ELEMENTARY OR SECONDARY SCHOOL SPACE**

Podium Heights – In most downtown zones, upper level floor plates are limited above the podium, while the floor plates of a podium at the base of a structure are not limited.	
Existing Code	Proposed
<ul style="list-style-type: none"> <li>• Podium height is 85 feet if the structure has commercial uses above 65 feet or does not have residential uses above 160 feet.</li> <li>• Podium height is 65 feet if the development occupies an entire block front.</li> <li>• Podium height is the height of the closest nearest existing structure if</li> </ul>	<ul style="list-style-type: none"> <li>• Podium height is 85 feet for any development that includes an elementary or secondary school.</li> <li>• All other podium height provisions stay the same.</li> </ul>

there are other structures on the block front.	
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**The overall effect of the podium height change** is that a development that includes an elementary or secondary school could have a larger mass and height. A school would most likely be in the base of a building as it would need a large floor plate, easy access by families, and spaces for gathering and recreation. This change is proposed to apply in all Downtown Office Core 1 and 2 (DOC1 and DOC2) zones and all Downtown Mixed Commercial (DMC) zones. The effect of this potential changes overall on downtown is minor because the number of potential schools is very limited. In a best case scenario only one or two schools would be likely to locate downtown. It would take years of planning for Seattle Public Schools to work with a potential developer to create a downtown public school, and funding for such a facility would need to be identified in a capital levy. There are significant practical challenges to overcome to include a school in a large new mixed use residential building, which limit the likelihood of a school in a new mixed-use building.

Height Limit Exception	
Existing Code	Proposed
<ul style="list-style-type: none"> <li>• DMC 240/290-440, DMC 340/290-440, or DOC2 500/300-550 zones contain a 10 percent height limit exception if the excepted space includes only rooftop features and the area enclosed does not exceed 9,000 sq. ft.</li> </ul>	<ul style="list-style-type: none"> <li>• A 10 percent height exception would be added in the building includes space for an elementary or secondary school in the same zones.</li> </ul>

**The overall effect of the height limit exception** is that a development that includes an elementary or secondary school at its base could have 44 feet of additional height in its residential tower. This would likely result in 3-4 additional stories in the residential tower depending on the zone. As noted above, the overall effect of this change in downtown would be limited because of the small number of new schools expected.

## Analysis

### Projected Development

Many factors inform whether properties will redevelop such as the goals of property owners, conditions in the regional economy, and interest rates. All sites within the proposed rezone area could be redeveloped under existing regulations. Any increased likelihood of redevelopment must be considered relative to the potential development under existing zoning.

Sites in the rezone area are already built out to varying degrees. In general, more intensively used land and buildings that are occupied are less likely to be redeveloped, and properties with a lower scale of existing structures or vacant are more likely to be redeveloped.

The presence of historic landmarks also affects the propensity of redevelopment because landmark status makes redevelopment more complicated and limited.

In consideration of these and other factors OPCD provides a general estimation of the amount of redevelopment<sup>1</sup> that would be likely to occur over a 20-year time horizon if zoning is changed. The estimate is made by assigning a redevelopment probability to sites and blocks.

- 2 redevelopment projects would be likely
- If certain factors and conditions are less favorable to development over the time horizon, a scenario where zero redevelopment occurs is a plausible low-end outcome.
- If certain factors and conditions more favorable to redevelopment during the time horizon, a high end estimate of 4 redevelopment projects within the area is an upper bound.

It is assumed that the redevelopments would be primarily housing and it is assumed that the redevelopment projects would include street level retail space. Commercial uses are assumed to be a minor component of the new development, except for hotels. It is assumed that a portion of the estimated residential units could alternatively be made into hotel rooms.

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<sup>1</sup> Redevelopment here is considered largescale construction close to the maximum zoning envelope, not rehabilitation and reuse of an existing structure.



Figure 3 Redevelopment Potential in the DRC Zone

The map above shows an assessment of the parcels that are more or less likely to redevelop in a range from low to high. Factors considered are scale of existing development, landmark status, and building occupancy. It is unknown even for sites identified as having a relatively higher likelihood of redevelopment whether these would be redeveloped within a 20-year time horizon.

## Development Examples in Existing and Proposed Zones

To illustrate the difference in the type of development that is likely in the existing DRC 85-170 zone compared to the proposed DMC 240/290-440 zone we can review currently proposed development projects and recently completed buildings under those zoning standards. Several examples are included below.

### DOWNTOWN RETAIL CORE

Two developments are currently proposed in the DRC 85-170 zone as shown on the map below. Both developments are for hotel uses and would demolish existing buildings. While both developments have submitted permits, there has been little progress on permit activity, and it is currently unclear whether either project is continuing to advance through the permitting process.

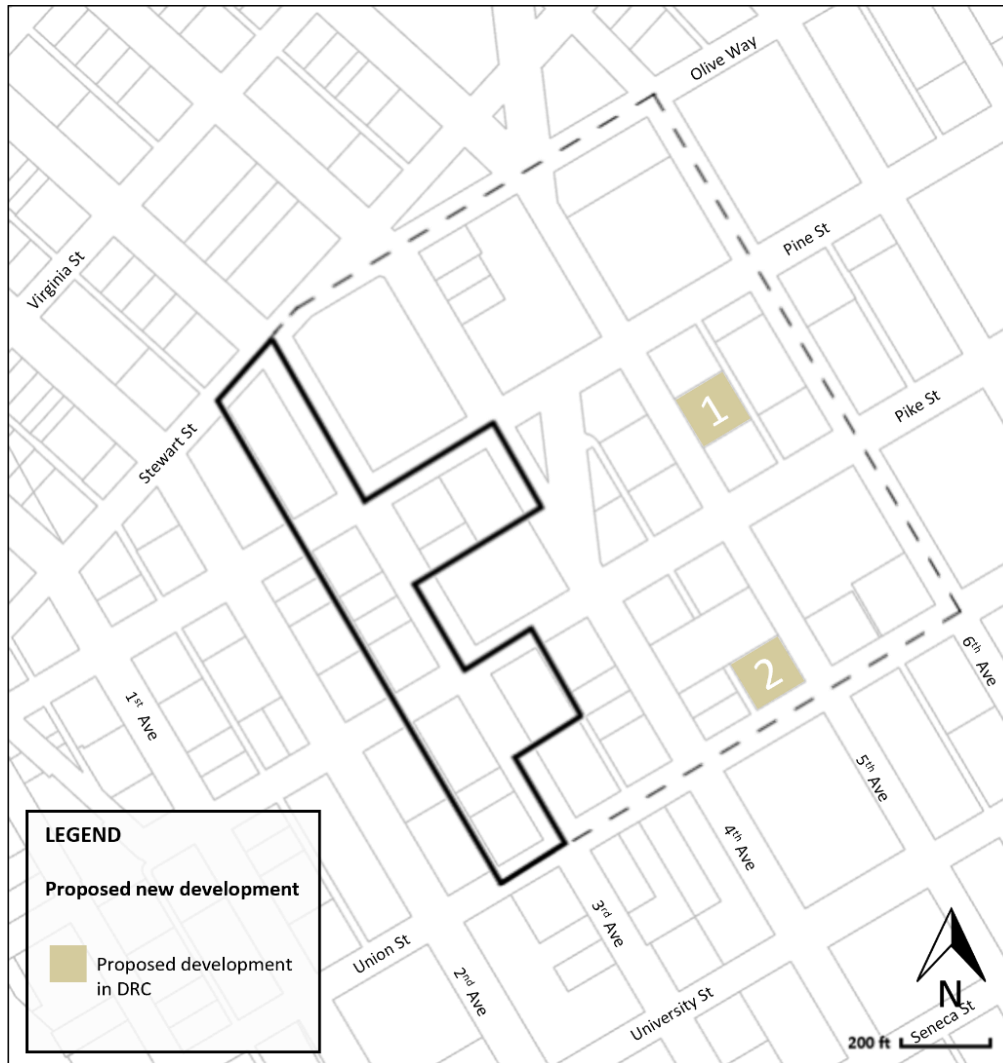


Figure 4 Proposals of development in the DRC zone



The first development (1 on the map) is for a 17-story hotel with 246 rooms and 49 apartment units, with two levels of retail in a midblock site on 5<sup>th</sup> Ave. The last permit activity was early design guidance in May of 2020. The hotel would occupy up to the 9<sup>th</sup> level of the building, and residences would occupy the floors above.

The second development (2 on the map) is for a 14-story building with 270 hotel rooms, and 70 apartment units, with about 24,000 sq. ft. of retail at the first levels of the building. The last permit activity was early design guidance in March of 2019.

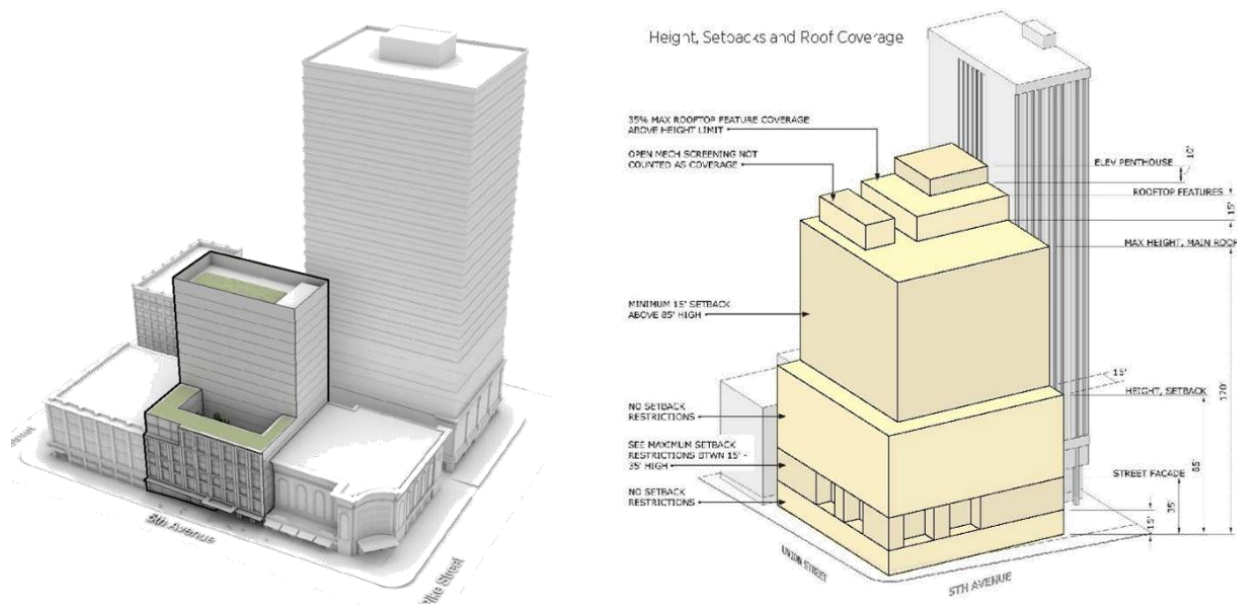


Figure 5 Proposed development- Number 1 to the left and number 2 to the right

The building proposals, especially for development 2 as shown in the diagram above, are good approximations of the zoning envelope under the existing DRC 85-170 zone. A required upper-level setback at 45 feet is apparent in both proposal. This setback is at a height similar to existing historic-aged structures in the vicinity. Both proposed buildings maximize the available 170' height limit yet are substantially shorter than other existing tower structures in the vicinity that are in a different zone or were built under prior zoning that allowed taller towers. Since floorplate size is not limited the site dimensions of development 2 largely govern the configuration and mass of upper-level floors.

### **DOWNTOWN MIXED COMMERCIAL 240/290-440**

The DMC 240/290-440 zone has resulted in a somewhat consistent pattern of residential tower structures that are relatively slender at upper stories with a total height of approximately 40 stories. For examples we can review completed structures directly west of the rezone area along 2<sup>nd</sup> Ave. in the Commercial Core, as well as north of the rezone area in the Belltown and Denny Triangle neighborhoods. Several examples are included below.

Within the Commercial Core directly to the west of the rezone area, completed towers include the West Edge Apartments (at 2<sup>nd</sup> and Union), and the 1521 2<sup>nd</sup> Avenue condominium development as seen in the image below. The 1521 2<sup>nd</sup> Ave. building includes 146 condominiums on an approximately 16,000 sq. ft. site. The West Edge Apartments include 290 housing units in a 35-story structure. Both buildings adhere to the maximum average floor plate size limit of 10,700 sq. ft., resulting in similar dimensions at the upper floors, although the architectural massing and design varies between the two structures. Note that the West Edge Apartments are directly across the alley from the proposed rezone area. A new tower located on a site in the rezone area across the alley from West Edge would have to be located 60 feet away from the existing tower due to the proposed tower spacing requirement.



Figure 6 Existing towers in the context area

There are numerous towers constructed in the 240/290-440 zone in Belltown and Denny Triangle during the last decade. This report includes images from the development's proposal materials in those neighborhoods for clearer illustration of how zoning standards inform building design.

In Belltown, on 3<sup>rd</sup> Avenue and Virginia St. at 2000 3<sup>rd</sup> Ave. A 46-story development with a 531-unit apartment building with retail at ground levels is under construction. The building includes 1 level of retail and 6 stories of office in a podium structure that mimics the scale of existing structures in the area. The tower structure on top of the podium adheres to the maximum average floor plate of 10,700 sq. ft. and includes residences. A rooftop amenity area and view deck is located at the top of the structure, which is common in new development in the zone.



*Figure 7 Proposed development in Belltown*

In the Denny Triangle area, an example recently completed at the corner of Howell and Minor avenues is a 374-unit development on a 14,400 sq. ft. site. The development is 40 stories of residential development with amenity spaces on the 7th floor and at the rooftop level. Small retail spaces are provided at street level. The small site means there is not a major podium structure, and the building generally appears as a single vertical tower. As with other examples, the building meets the average maximum floor plate limit of 10,700 sq. ft. for the tower structure. The architecture gives an appearance of stacked boxes.



*Figure 8 Proposed Development in  
Denny Triangle*



## Tower Spacing

The proposed legislation includes a proposed 60-foot tower spacing requirement in the DMC 240/290-440 zone for the proposed rezone area. This spacing would be identical to the tower spacing requirement in DMC zones in the Denny Triangle. The regulations require spacing from existing structures over 160 feet in height that are also in the DMC zone and within the same block and permitted after 2006. Therefore, tower spacing has important effects in the rezone area. Tower spacing would be required on all three blocks on the west side of 3<sup>rd</sup> Ave. as seen in the map below. The spacing requirement would influence where towers could be located in new development on those blocks.



Figure 9 Existing and proposed towers in the context area



## Historic Landmarks

Since the rezone area is one of the oldest parts of post-colonization Seattle there are a number of historic aged structures. The existing Downtown Retail core zone altogether contains 15 City of Seattle designated Historic Landmark buildings as shown on the map below. There is no Seattle historic landmark district in the vicinity of the rezone area. There are three landmarks within the proposed rezone area: the Fischer Studio Building on 1519 3rd Avenue, the Olympic Tower at the corner of 3rd Avenue and Pine St., and Mann Building on 1411 3rd Avenue described on the following pages. Other structures in the proposed rezone area are historic aged but not designated as a Landmark.

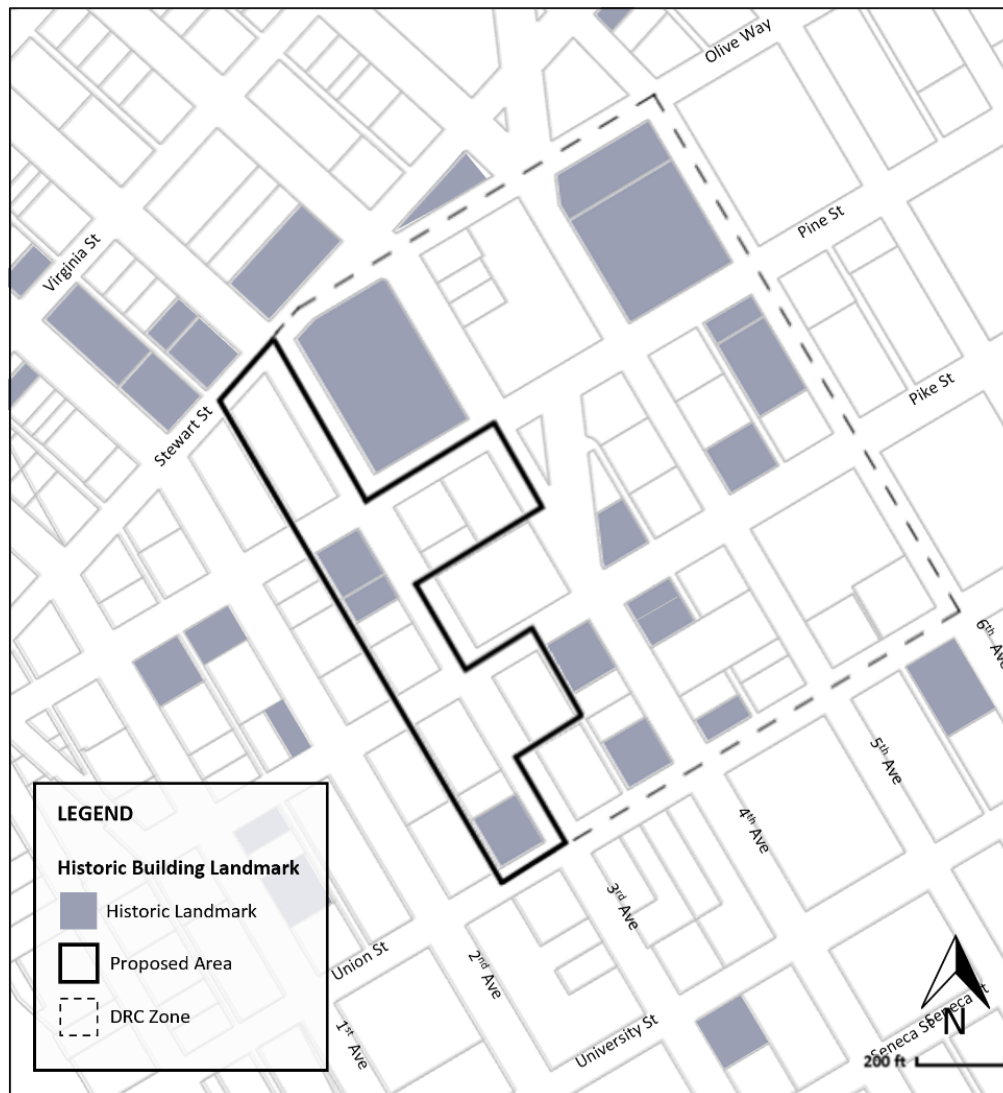


Figure 10 Historic landmarks buildings in the proposed and context area

## Seattle Landmark Protections

Seattle Municipal Chapter 25.12 governs the designation of landmarks, controls on landmarks, and limits on alteration of a designated Landmark. When a landmark is designated, the City adopts a controls and incentives ordinance that identifies the specific features of the landmark which are designated, the basis for the designation and any controls imposed on the landmark. Four years after designation of a landmark its owner may file an application to revoke designation or to modify or revoke the controls or economic incentives previously established with respect thereto. A certificate of approval must be issued before changes can be made to individually designated City Landmarks. A Certificate of Approval is a written authorization, much like a permit, that must be issued before any changes can be made to the designated feature of a Landmark.

Before a Certificate of Approval is issued a proposal is reviewed by staff, reviewed by an 11-member Landmarks Preservation Board, then decided upon by the Department of Neighborhoods Director. The Secretary of the Interior's Standards for Rehabilitation are considered by the Department of Neighborhoods and the Landmarks Preservation Board when reviewing applications for certificate of approval. Demolition of any landmark is strongly discouraged by the City's policies.

There is a review process to determine at the time of proposed development whether an object, site or improvement over 25 years old should be designated as a landmark. When development is proposed SDCI must make a referral for landmark designation for sites or objects that appear to meet criteria of landmark designation. Thresholds for this review are 20 residential units or 4,000 sq. ft. of non-residential use in downtown zones, meaning virtually all development would be subject to potential referral.

**The Mann Building.** The Mann Building was built in 1926. Henry Bittman, who was responsible for many downtown terra cotta buildings designed the two-story Mann Building with terra cotta skin with Gothic Revival ornamentation. The landmark designation was executed in 1985, and the designated features are the Union Street and Third Avenue facades and roof. The building currently contains the Triple Door entertainment venue. The theatre was historically named the Embassy Theatre and was once part of a cluster of vaudeville and motion picture houses in the area during the period 1905-1940.



*Figure 11 Picture of the Mann Building*

**The Fischer Studio Building.** The 8 story building was originally planned and designed by Bebb & Mendel as a retail business block in 1912 that would contain a musical instruments and piano store. In 1914-1915 the design was revised by Bebb & Gould and it was expanded in order to create specialized music teaching studios, residential accommodations and a performance space for teachers, their students, and other musicians. The building was an early apartment building in Seattle for a unique purpose. Residential units have 10' ceilings and are now owned as 28 condominiums. The designated features of the landmark are the building's exterior.



*Figure 12 Picture of the Fisher Studio Building*

**The Olympic Tower.** The Olympic Tower building is at the southwest corner of 3<sup>rd</sup> Ave. and Pine Street. It was originally called the United Shopping Tower and was an early component of the City's business district expansion north from Pioneer Square. The thirteen-story building was designed by architect Henry Bittman and is a noted example of Art Deco design executed in terra cotta. The entire exterior of the building including the facades and the roof are landmarked.



*Figure 13 Picture of the Olympic Tower building*

**Preservation During Development.**

There are examples in Seattle of sites with landmarks that have co development with additional uses. An example in downtown is the First United Methodist Church site at 811 5<sup>th</sup> Ave. which was preserved concurrent with development of the F5 Tower. An example in South Lake Union is the Troy Laundry block that preserved portions of a one-story masonry structure at the corner of Boren and Thomas St. while adding office towers. An example of co-development of a site that was historic but not a landmark in Belltown is the Crystal Swimming Pool building that retained the 1916 facades while adding a 24 story residential tower. Co-development is more likely when the scale of the existing historic structure is lower, such as one story.



## Shadows

The proposed zoning change would alter the allowed height and scale of development, which could cause changes to the potential sunlight access at ground level and in open spaces. An analysis of shadow effects in different seasons from existing structures is shown below. The graphics can be used to interpolate where additional shadows would fall if new towers were constructed in the rezone area on identified potential development sites. The most important location to consider is Westlake Park because it is a public park and open space.

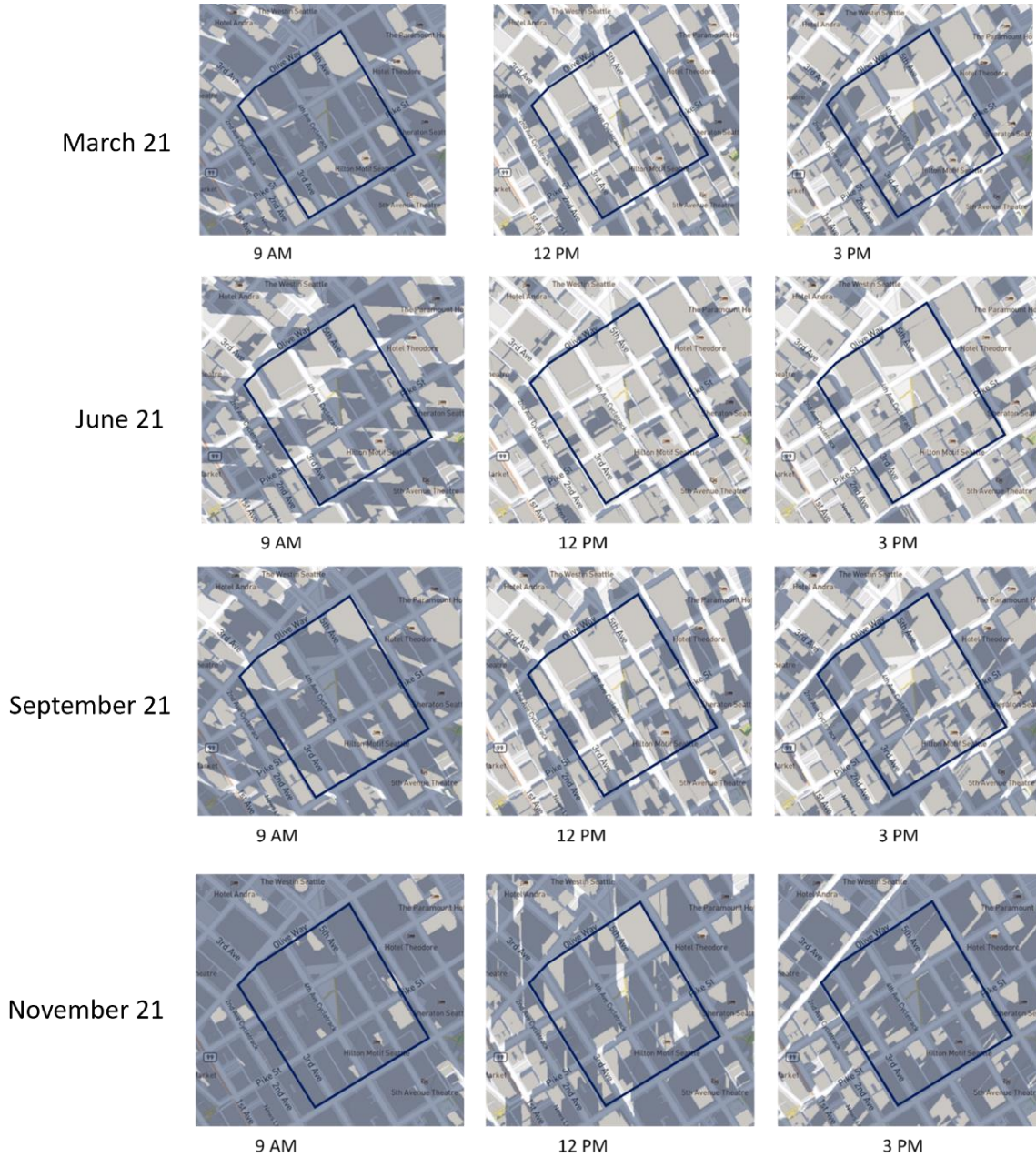


Figure 14 Shadow effect in the context area during the 4 seasons

In the **morning**, the potential for shadows from taller structures in the rezone area would not affect the adjacent properties to the northwest including Westlake Park in all the seasons, because shadows would be cast in the opposite direction and the park is shaded by existing structures at the time. At **midday** in summer, spring and fall potentially taller structures would minimally affect the adjacent properties to the north and west including Westlake Park, because the sun would be high enough so additional shadows would not be cast onto the adjacent properties. In the winter at midday Westlake Park is already shadowed by existing structures. The greatest potential shadow effects would be in the Spring and fall **afternoons** when the height of potential new structures could cast an additional shadow into the northwest corner of Westlake Park if a new structure were built at the corner of 4<sup>th</sup> and Pine, or at the site of the former Kress IGA. However it should be noted that during these times most of Westlake Park is already shaded by existing structures, and that a new structure at 4<sup>th</sup> and Pine constructed under existing zoning would likely cause the same shadowing effect.

## Comprehensive Plan consistency

In the City's Comprehensive Plan the Downtown Retail Core is considered to be located within the Commercial Core – one of five neighborhoods in the Downtown Urban Center. The Comprehensive Plan describes the commercial core as a major employment center, tourist and convention attraction, shopping magnet, residential neighborhood, and regional hub of cultural and entertainment activities.

The Comprehensive Plan intended function and guidance for the Downtown Retail Core is an Area containing major department stores and having the greatest concentration of Downtown's retail activity. The DRC land use district is intended to:

- Provide the principal center of shopping for both Downtown and the region;
- Allow uses other than retail with the general intent that they augment but do not detract from this primary function, and promote housing in the area to complement its principal retail function; and
- Maintain an active and pleasant street-level environment through development standards specifically tailored to the unique function and character of this area.



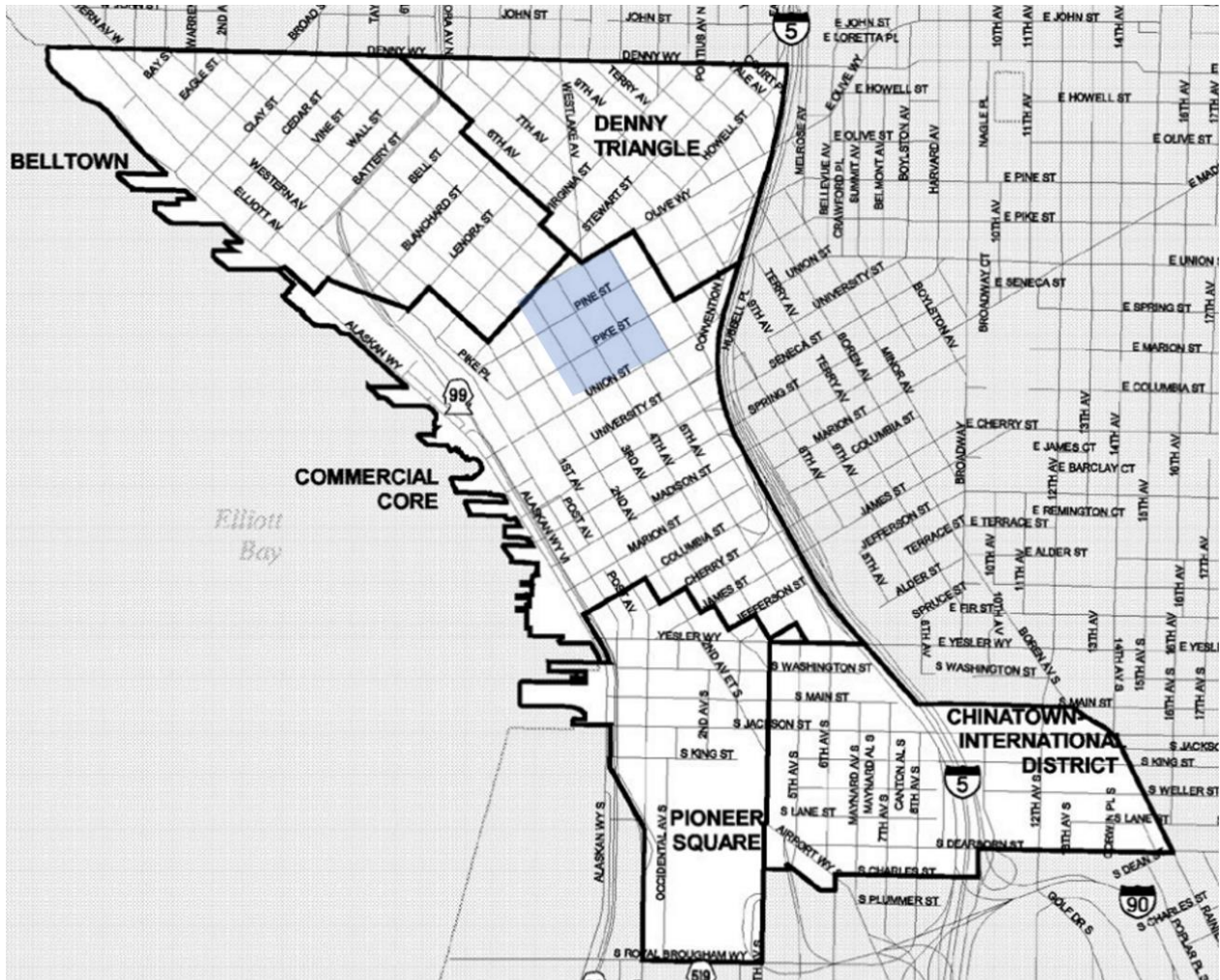


Figure 15 the position of the DRC zone within the Downtown neighborhoods

The map above shows the position of the Downtown Retail Core (DRC) zone within the Comprehensive Plan's identification of downtown neighborhoods. An effect of the proposed legislation would be to extend development patterns seen in Belltown and the Denny Triangle, and associated neighborhood characteristics towards a portion of the commercial core.

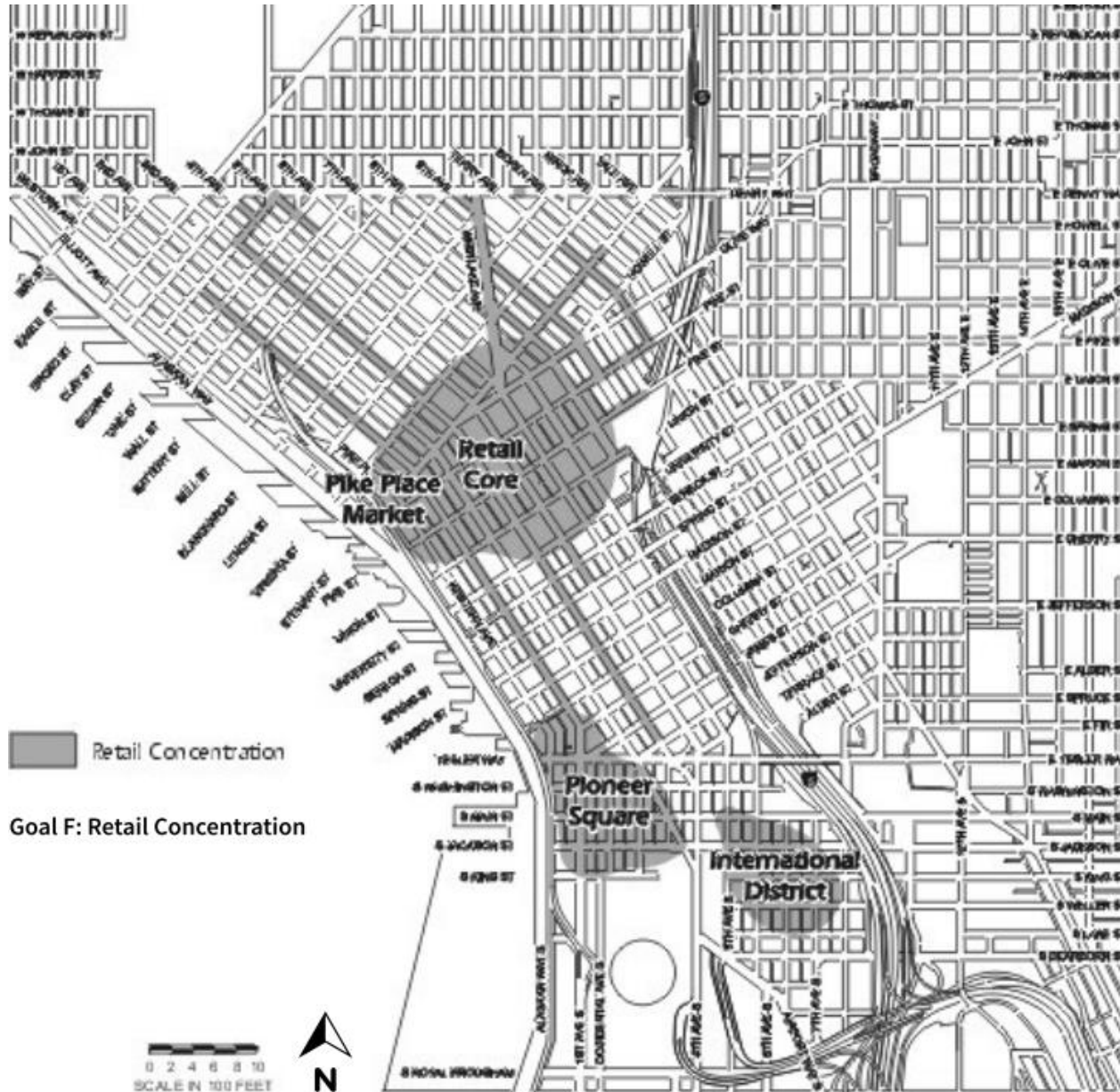


Figure 16 Retail concentration area

The map above is a figure from the Downtown Urban Center section of the Comprehensive Plan related to retail concentration. The plan identifies the retail core area including the DRC zone as a focus for concentration of retail activity.

Various Goal and Policy statements from the Plan relate to the proposed legislation. Particularly relevant goals and policies are listed below. Not every policy can be summarized or included in this report.

**DT-G3** Strive to reinforce Downtown as a center of cultural and entertainment activities to foster the arts in the city, attract people to the area, create livable neighborhoods, and make Downtown an enjoyable place to be shared by all. Encourage facilities for artists to live and work in Downtown.

**DT-G6** Reinforce the concentrated shopping function of the retail core; preserve the general form and scale of the area; and protect the area from high-density uses that conflict with the primary retail function. Other concentrations of retail activity should be encouraged where they already exist or where such uses are desirable to encourage an active pedestrian environment or focal point of neighborhood activity.

**DT-G10** Seek to significantly expand housing opportunities in Downtown Seattle for people of all income levels, with the objectives of:

1. accommodating household growth;
2. preserving existing low-income units; and
3. 3. developing a significant supply of affordable housing opportunities in balance with the market resulting from the growth in Downtown employment. Allow housing in all areas of the Downtown Urban Center except over water and in industrial areas, where residential use conflicts with the primary function of these areas. Target public resources, requirements imposed on new development, and private development incentives to promote the amount and type of housing development necessary to achieve Downtown neighborhood housing goals. Address the need for affordable housing through a range of strategies including both incentive-based and non-incentive-based strategies.

**DT-G12** Promote public safety by encouraging conditions that contribute to a safe and friendly urban environment including: maintaining streets and open spaces as active, well-designed public places; supporting twenty-four-hour activity in a manner that minimizes conflicts among different uses; accommodating a mix of people from all income, age, and social groups; and providing for needed human services within the limits of a neighborhood's capacity to support them.

**DT-LUP2** Allow a wide range of uses Downtown, consistent with the goals to maintain Downtown's regional importance, create a strong residential community, improve the physical environment, and add activity and diversity to the areas of varied character. Restrict or prohibit uses that are not compatible with the desired character and function of specific areas.

**COM-P3** Strive to maintain the neighborhood's historic, cultural, and visual resources.

**COM-P8** Seek to improve the cleanliness and safety of streets and public spaces.

**COM-P9** Seek to improve the pedestrian qualities of streets and public spaces.

The proposed legislation aims to better achieve the function of the Retail Core by continuing to support the main shopping center near Westlake, but also adding substantial housing and an improved pedestrian experience. Encouraging the potential for new investment as a part

of the Mayor's Downtown Activation Plan is a way to increase the vitality and livability. The addition of housing intended by this proposal directly relates to policies DT-G10 and G12.

## Housing

**Market Housing.** OPCD estimates that the proposed legislation would produce 2 new residential tower structures in the rezone area in a 20 year timeframe (while acknowledging that differing conditions over the timeframe could result in as few as 0 and as many as 4 developments). A general estimation of 300-600 homes is suggested per development in consideration of the expected site sizes for the redevelopments. Therefore we suggest an estimated focus range of 600 – 1,200 homes, while acknowledging that a much wider plausible range of between 0 and 2,400 homes is possible. It is expected that the homes would be new market rate housing construction. Based on observations about rent and sales prices in other buildings nearby, we should assume that homes would generally be available to households at or above 100 percent of the Area Median Income (AMI). Depending on the goals of the development team it is likely that a portion of the homes would be at price points available to very high-income households.

**Rent and Income Restricted Housing.** The redevelopment would contribute to affordable housing through the City's Mandatory Housing Affordability (MHA) program. In the proposed DMC 240/290-440 zone the MHA contribution would be \$8.25 per sq. ft. of residential development, or reservation of 3.2 percent of the units as affordable to households at 60 percent AMI or below. Using the 600-1,200 homes estimated above we estimate a contribution of \$4.2 - \$8.4 M if developers elected the payment option or a contribution of 10-20 affordable homes if they elected the performance option.

The rezone area contains two existing non-profit owned affordable housing buildings that are subject to a rent and income restricted covenants. The Glen Hotel building located at 1413 3<sup>rd</sup> Ave. is owned by LIHI and contains approximately 30 single room occupancy sleeping rooms that was constructed in 1906. The Gilmore Apartments, built in 2002 are located at 1530 3<sup>rd</sup> Ave. and are owned by Bellweather housing and provide 65 affordable homes. According to Office of Housing regulations, buildings with affordable housing agreements can not be redeveloped unless the affordable housing is relocated in an equal or greater quantity elsewhere. The Gilmore Apartments are in good condition and unlikely to be affected by the rezone. If redevelopment is sought for the site containing the Glen Hotel it is anticipated based on input from the owner that the affordable homes could be relocated elsewhere and simultaneously upgraded to better and more modern conditions for the residents.



## Vacant Retail Spaces

A reason for the proposed zone change is to encourage investment that could result in an increased residential presence in the area and upgrade the physical characteristics of ground level commercial spaces. This is proposed in part because vitality of the pedestrian and street level environment is currently lacking. To document this condition and to inform the geography of the proposed rezone OPCD performed a review of ground level commercial space vacancy based on direct observation and conversation with building owners. The map below shows the result, which found numerous entirely or partially vacant retail spaces in the Downtown Retail Core zone.



Figure 17 Vacant Retail space in the rezone area and the DRC zone context

## Rezone Analysis

The City's municipal code requires a rezone analysis when changing from one zone to another. The analysis below evaluates the proposed DMC zone against the code's rezone criteria.

<b>Zoned capacity</b>	The proposed rezone area would not substantially alter the development capacity in the Downtown Urban Center as a whole such that it would exceed 125 percent of adopted growth estimates. Development capacity would exist in similar quantities with and without the rezone.
<b>Match between zone criteria and area characteristics. Locational Criteria Analysis (Downtown Mixed Commercial zone)</b>	
<b>Function.</b>	The area is characterized by lower scale office, retail and commercial uses related to activity in the office core, retail core or other moderate-scale commercial cores in the Downtown Urban Center, and with a use pattern that includes housing
<b>Scale and Character of Development.</b>	The rezone area is an area where buildings of moderate scale exist and the area is appropriate to provide a physical transition between more intensive commercial areas (DOC 1 to the south) and surrounding lower scale commercial, mixed use or residential districts (Pike Place Market area to the west).
<b>Transportation and Infrastructure Capacity</b>	The area is in the Downtown Urban Center having good accessibility to vehicular and transit systems in a degree similar to the Downtown office core. Transportation and other infrastructure capacities are capable of accommodating modest growth without major improvement.
<b>Relationship to Surrounding Activity.</b>	Due to changes in the vitality of the retail core including vacant stores, the area is now a place that provides for less intensive activity along the western and northern edges of the Downtown retail core and Downtown office core. It now functions as an area that provides a buffer to less intensive areas, such as the Harborfront, Pike Place Market, Belltown residential area.
<b>Heights.</b>	The height designation is compatible (the same as) the area immediately west of the proposed rezone and the height would



	provide a desired transitions compatible with adjacent commercial core area to the south.
<b>Zoning history and precedential effect.</b>	The DMC zone was established at the time of the last major downtown zoning update around 2006. The rezone could have implications for further future changes to the Downtown Retail Core zone, which is considered to be somewhat outdated pursuant to this proposed rezone. Further revaluations of the DRC zone are expected as a part of the upcoming Downtown Urban Center Plan update due by 2025.
<b>Neighborhood Plans</b>	The Downtown Neighborhood Plan was considered. See discussion above in the Comprehensive Plan section of this Director's Report concerning districts and neighborhoods in downtown.
<b>Zoning Principles</b>	
<b>Impact of more intensive zones on less intensive zones</b>	The proposed rezone would not make a worse impact of more intensive zones on less intensive zones. The area would serve as a buffer between the commercial core area and other lower scale areas in the vicinity.
<b>Physical buffers</b>	The boundary considers and maintains a transition at Westlake Park, which is a physical transition point.
<b>Zone Boundaries</b>	The proposed zone boundary follows platted lot lines and considers the existing quality of the built environment.
<b>Commercial and Residential areas</b>	The Downtown is a thoroughly mixed use environment.
<b>Impact Evaluation and Service Capacities</b>	See discussion in the SEPA checklist and Determination of Non-Significance and elsewhere in this Director's Report.
<b>Changed Circumstances</b>	Evidence of the changed circumstance of the reduced vibrancy of the downtown retail core as a shopping center is discussed elsewhere in this report.
<b>Incentive Provisions</b>	The City's MHA program applies and the DMC zone includes other incentive provisions for amenities in the zone standards.

# Recommendation

In consideration of the factors and information contained in this report OPCD recommends that City Council review the proposed legislation and adopt the zone change and associated Land Use Code text amendments.