

U DISTRICT PLANNING & REZONE



Seattle
Office of Planning &
Community Development

December 6, 2016

Agenda

2

- Review: planning process, recommendations
- Continued discussion from 11/29: affordable housing requirements
- The Ave, small business concerns, possible solutions
- Public space improvements and policies



Community input

3

- Extensive public engagement 2011-present: multiple related planning efforts and 90+ public events
- Rezone is one piece of a larger set of plans
- People view growth with both excitement and concern



Overview of the proposal

4

1. Public investments in the U District
2. Zoning changes
3. New design requirements
4. Mandatory Housing Affordability requirements
5. Incentive programs: open space, preservation, childcare



PLUZ process

5

- September 9th: Planning process overview, “what we’ve heard”, community partners
- September 20th: City investments in the U District, rezone map and heights, new design standards
- November 16th: Public hearing
- November 29th: Displacement, affordable housing, incentive zoning
- December 6th: Continued housing discussion, small business concerns, potential amendments, public space
- January 2017: amendments, deliberation



Displacement discussion

6

- With or without zoning changes, somewhere between 40-275 units will be demolished. Various forces will continue to increase rents.
- Allowing taller, higher-density development in the neighborhood would accommodate more growth on fewer sites, potentially reducing demolitions.
- By increasing the total number of housing choices to help meet U District demand, the proposal helps reduce the rent increases that cause economic displacement.
- By implementing MHA requirements, the proposal ensures that new development contributes directly to affordable housing, expanding options for low-income people.

What is MHA?

7

Part of a broader set of strategies:

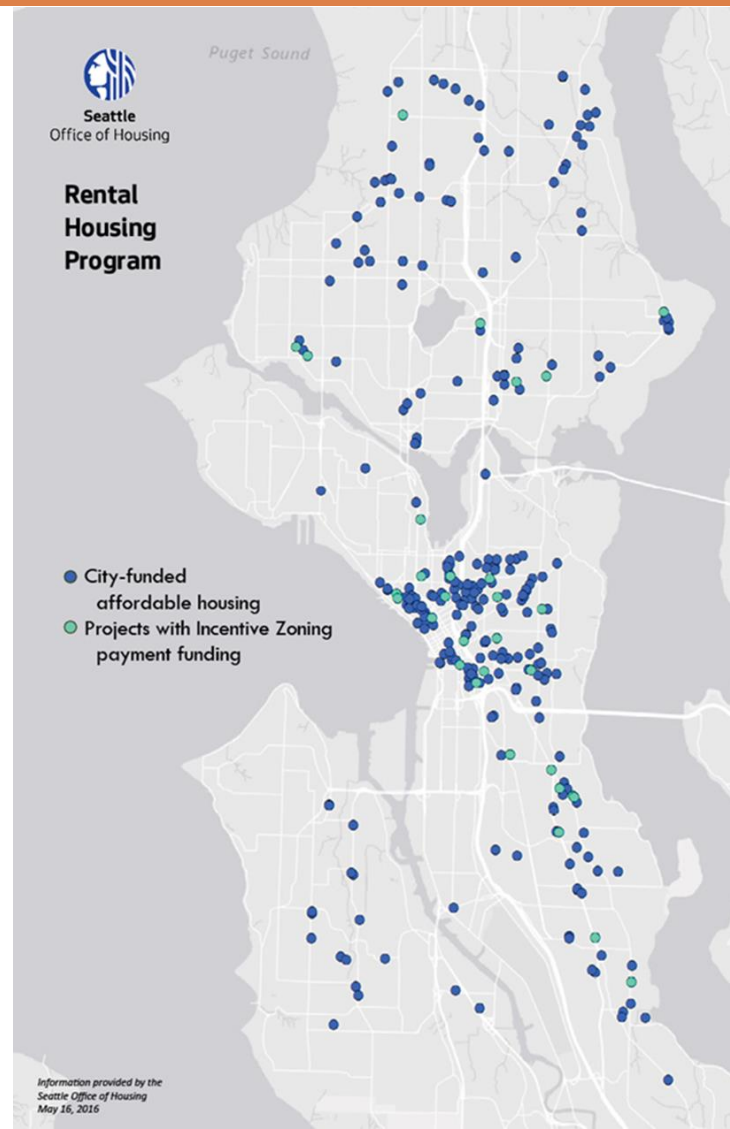
- All new multifamily and commercial development must either build affordable housing or pay into a fund
- Provides zoning increases to partially offset the cost of these requirements
- Increases housing choices
- A state-approved approach other local cities have used



How will we invest MHA payments across the city?

8

- The MHA-R framework directs the City to consider the extent to which the housing would:
 - ▣ Affirmatively further fair housing choice
 - ▣ Be located within an urban center or village
 - ▣ Be located near frequent bus service or current or planned light rail or streetcar stops
 - ▣ Advance City policies to promote economic opportunity and community development, and address the needs of communities vulnerable to displacement
 - ▣ Be located near developments that generate cash contributions



MHA in the U District

9

	Residential		Commercial	
	%	\$	%	\$
Highrise zones (240 and 320 ft zones)	9%	\$20.00	9%	\$20.00
Lowrise & midrise zones with (M1) suffix (LR, NC, and MR zones)	9%	\$20.00	8%	\$11.25
Mixed use on the Ave (SM-U 85)	6%	\$13.25	5%	\$7.00



MHA payment & performance examples

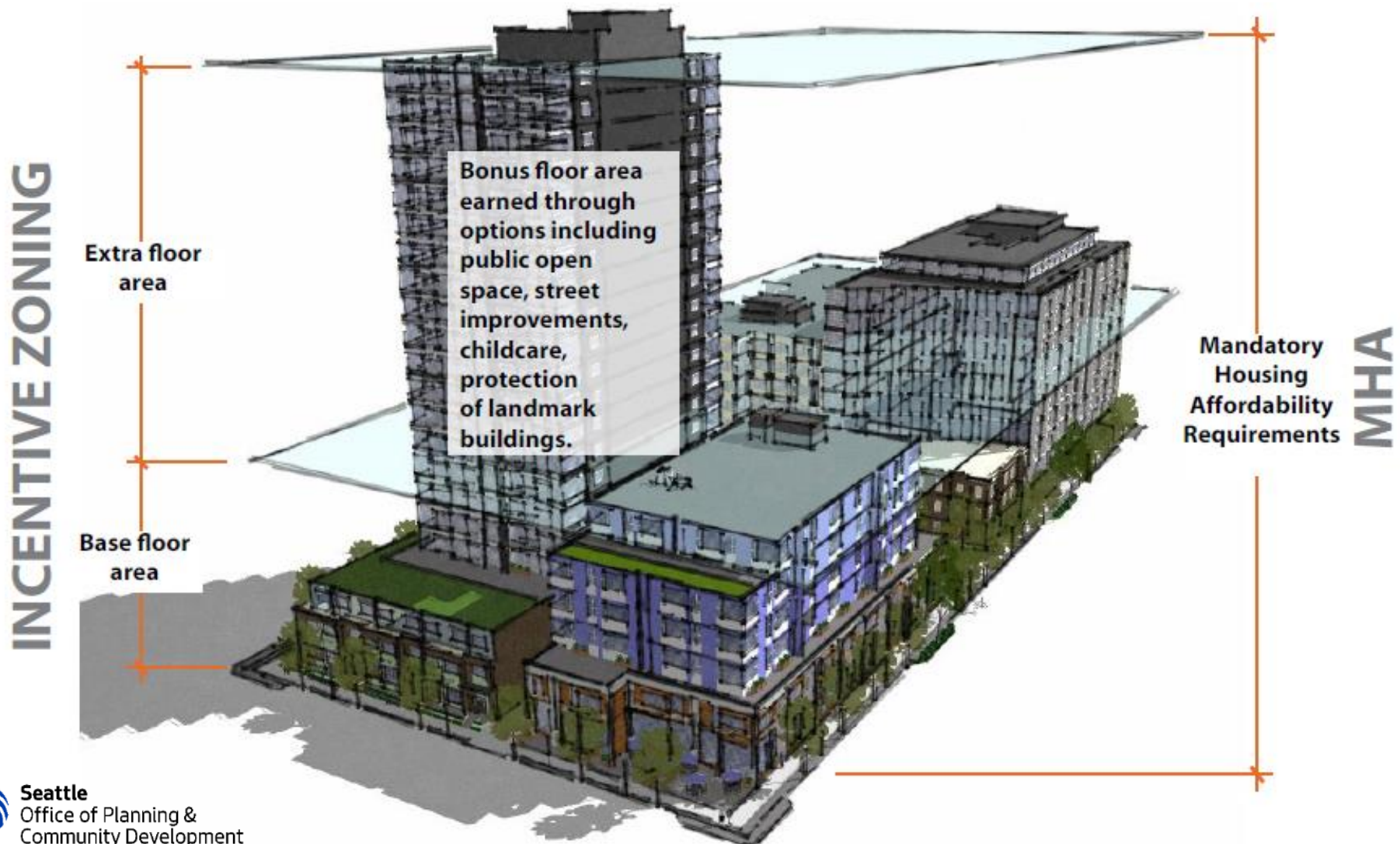
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Project example	Requirement	Performance outcome	Payment outcome
7-story apartment building <ul style="list-style-type: none"> MR (M1) zone 102 total homes 80,000 gross residential square feet 	9% or \$20 per sq. ft.	9.2 affordable homes	18 affordable homes (\$1.6M)
32-story residential tower <ul style="list-style-type: none"> SM-U 95-320 446 total homes 350,000 gross residential square feet 	9% or \$20 per sq. ft. + Incentive Zoning	40.1 affordable homes	78.7 affordable homes (\$7.0M)
		\$1.5M in TDR, open space, or combination	



Incentive Zoning

11

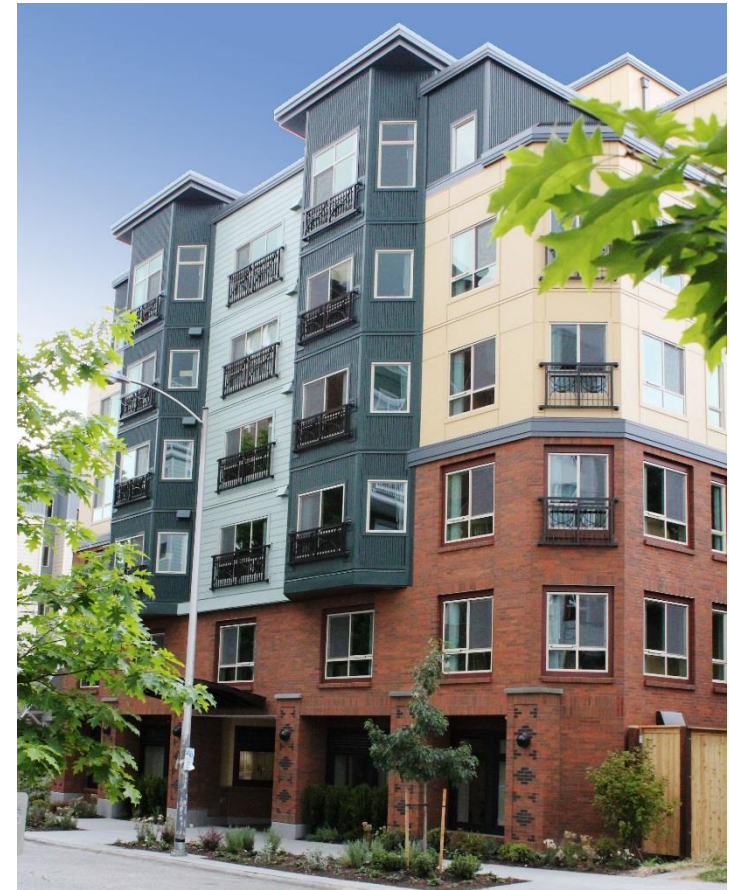


Outcomes

12

Expected 20 year outcomes

- ▣ 3,500-5,000 new market-rate homes
- ▣ 3,000-4,800 new jobs
- ▣ 620-910 new affordable homes
- ▣ \$10-14 million in TDR, open space, and green street investments



Small business concerns

13

Many worry that a rezone will worsen existing pressures:

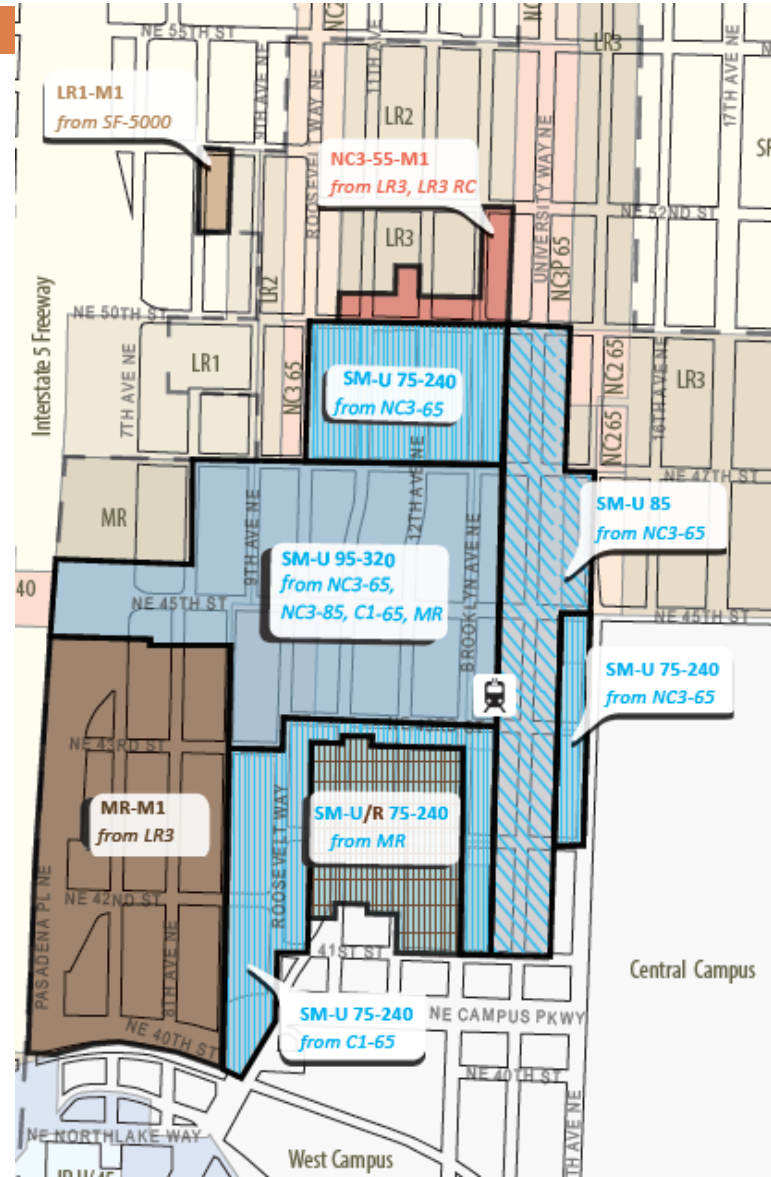
- ❑ Displacement of existing businesses by new development
- ❑ Loss of affordable commercial space through rising rents
- ❑ Losing the Ave's distinct character as a pedestrian shopping district



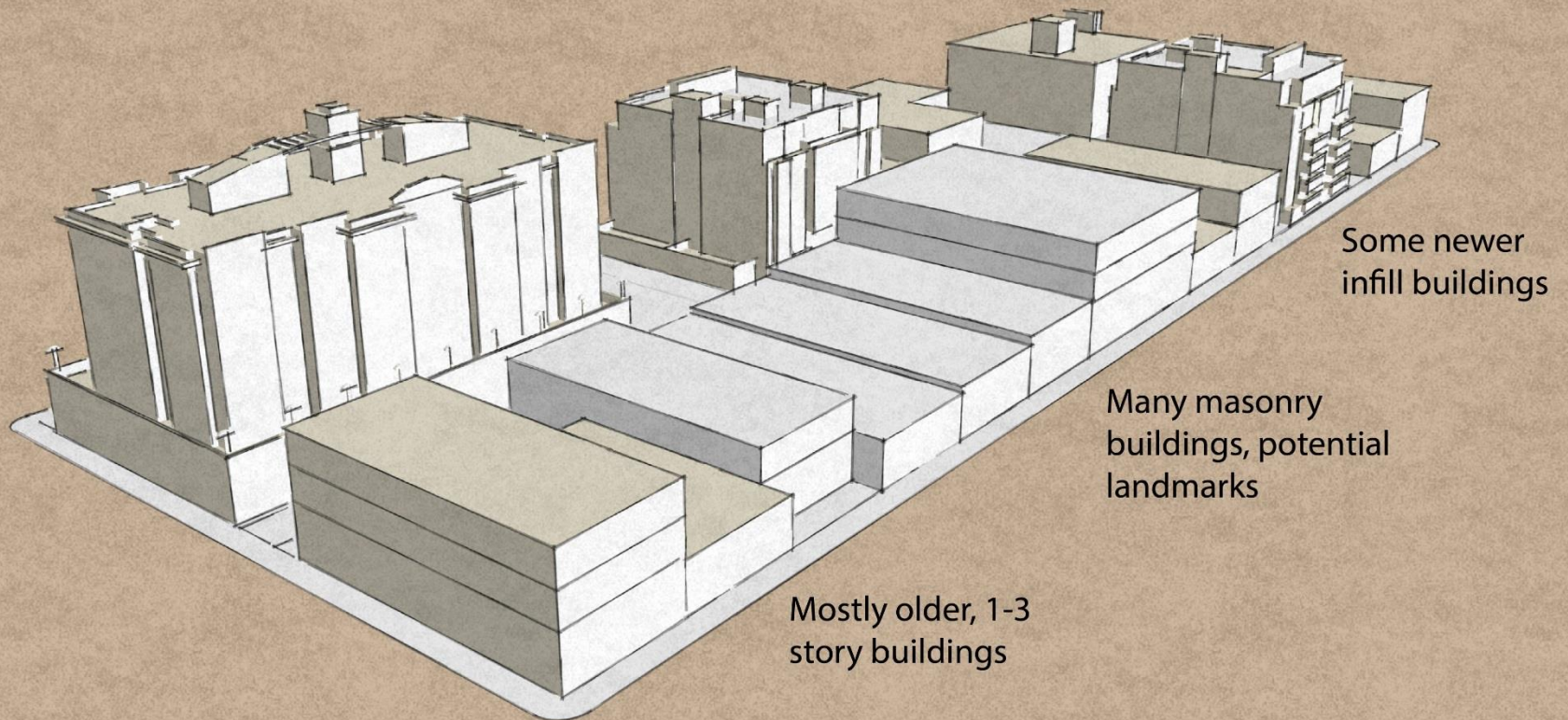
Proposed changes: the Ave

14

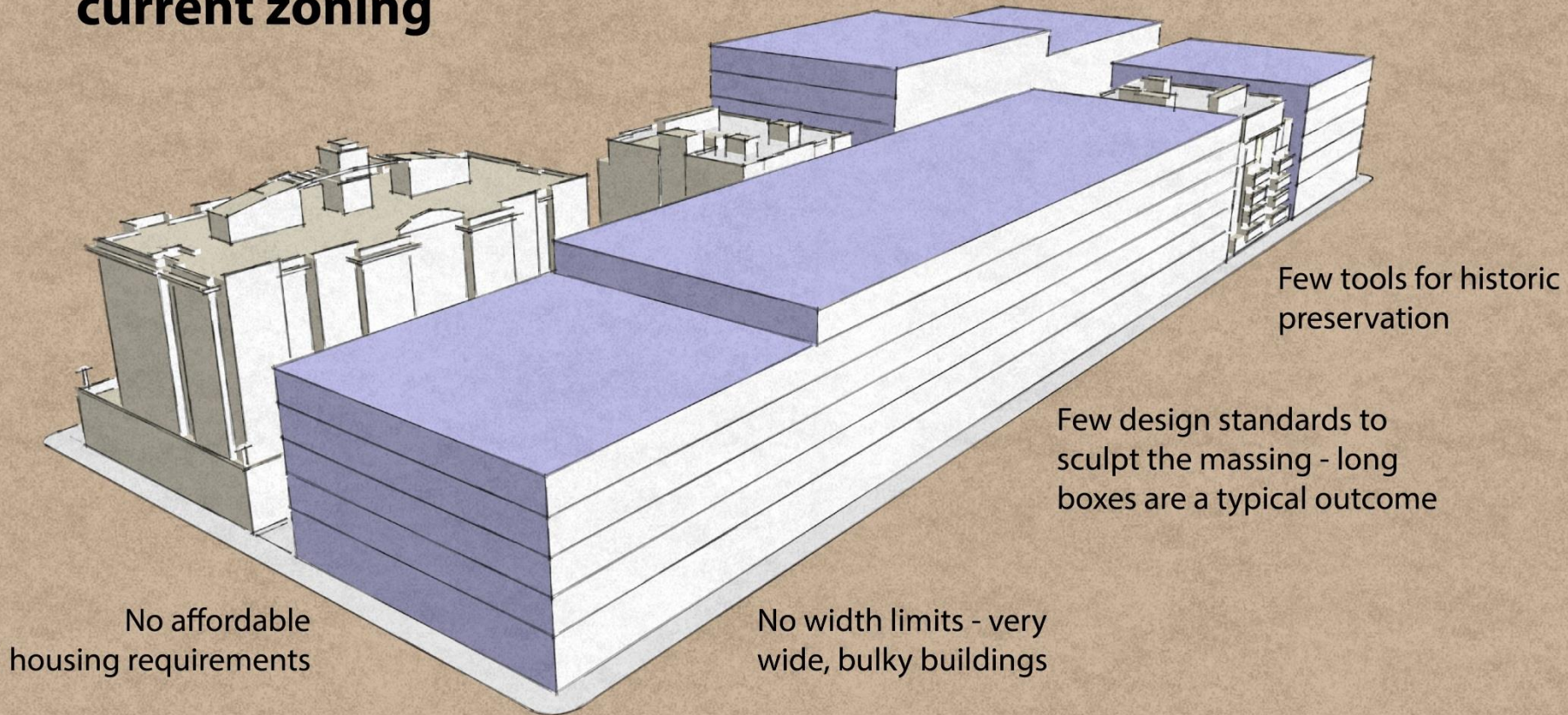
- Height and size on the Ave has been debated throughout the process
- Highrise not recommended in the Mayor's proposal
- Transfer of development rights ("TDR") for historic preservation
- New design requirements:
 - ▣ max width
 - ▣ upper level setbacks
 - ▣ modulation



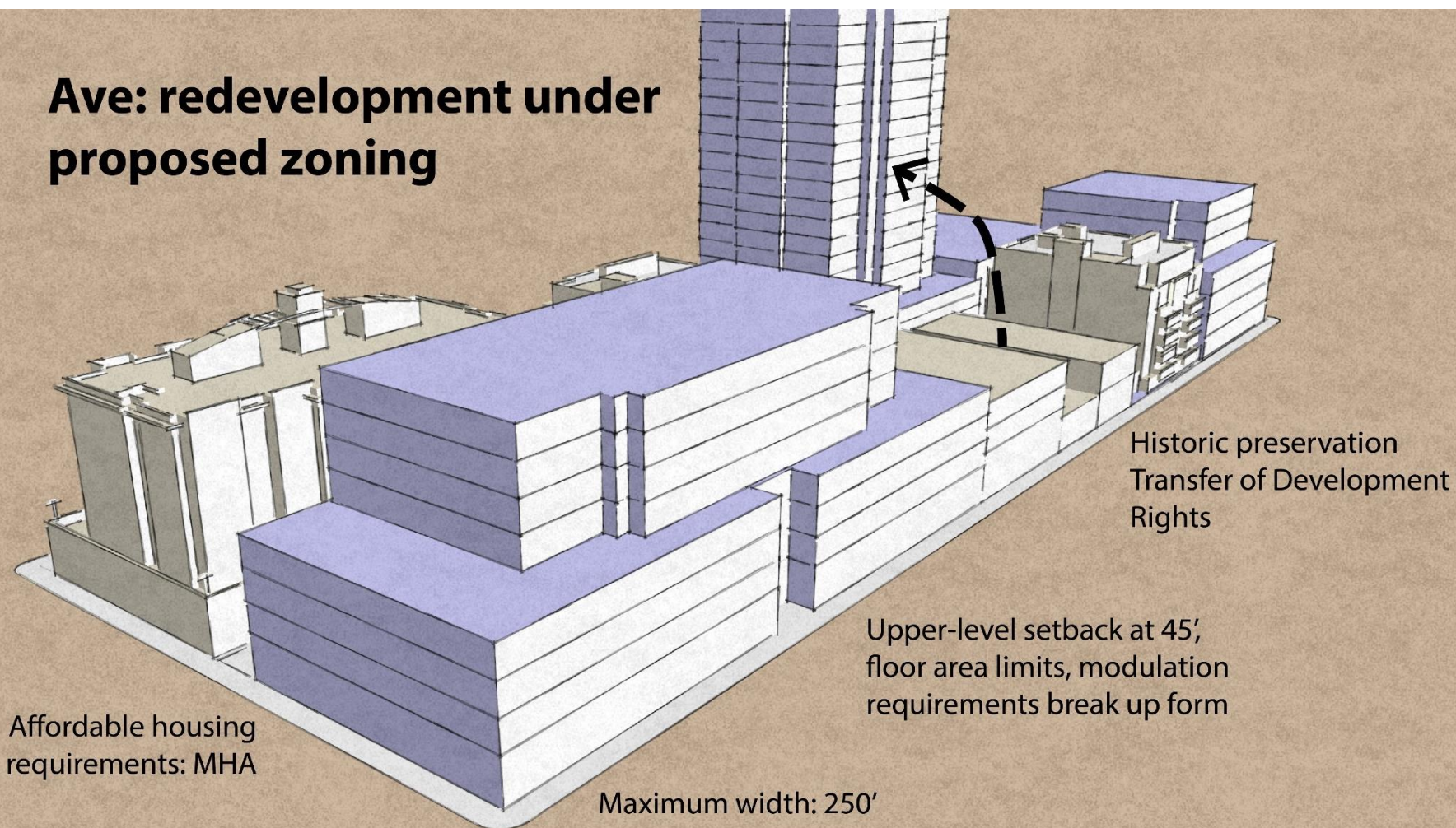
Ave: existing conditions (typical block)



Ave: redevelopment under current zoning



Ave: redevelopment under proposed zoning



Potential amendments to the proposal

18

- ❑ Reduce maximum width to less than 250' along Ave
- ❑ Modify TDR program so that Ave can send but not receive development potential
- ❑ Reduce maximum height and floor area (need to study MHA impact)
- ❑ Design guidelines to encourage commercial bays 20' or 40' wide





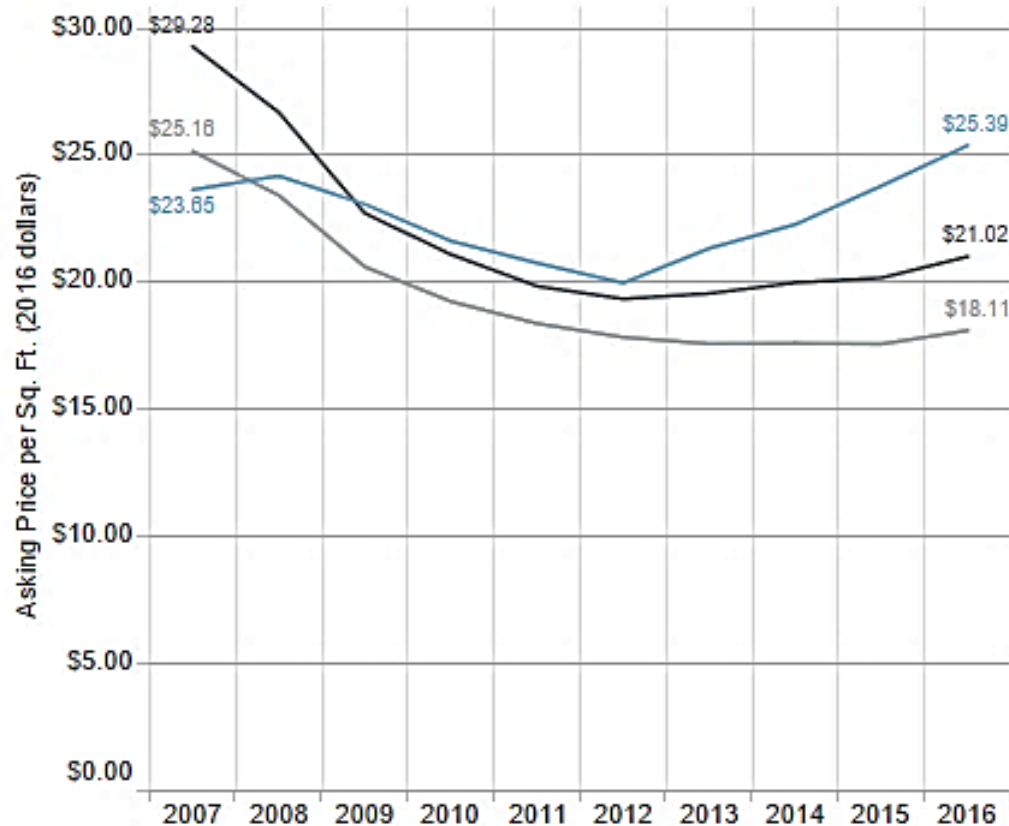
- Neighborhood Business District support
- Small Business Resources
 - ▣ Free business consulting
 - ▣ Business financing
 - ▣ One stop problem solving
 - City permitting, utilities
 - Restaurant Success
 - New laws affecting businesses



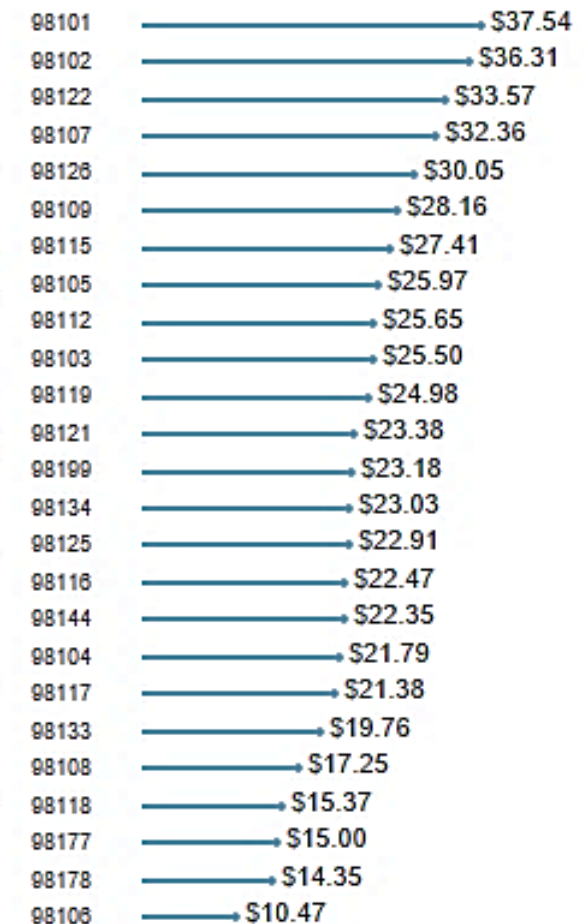
Commercial Affordability

20

Retail rent

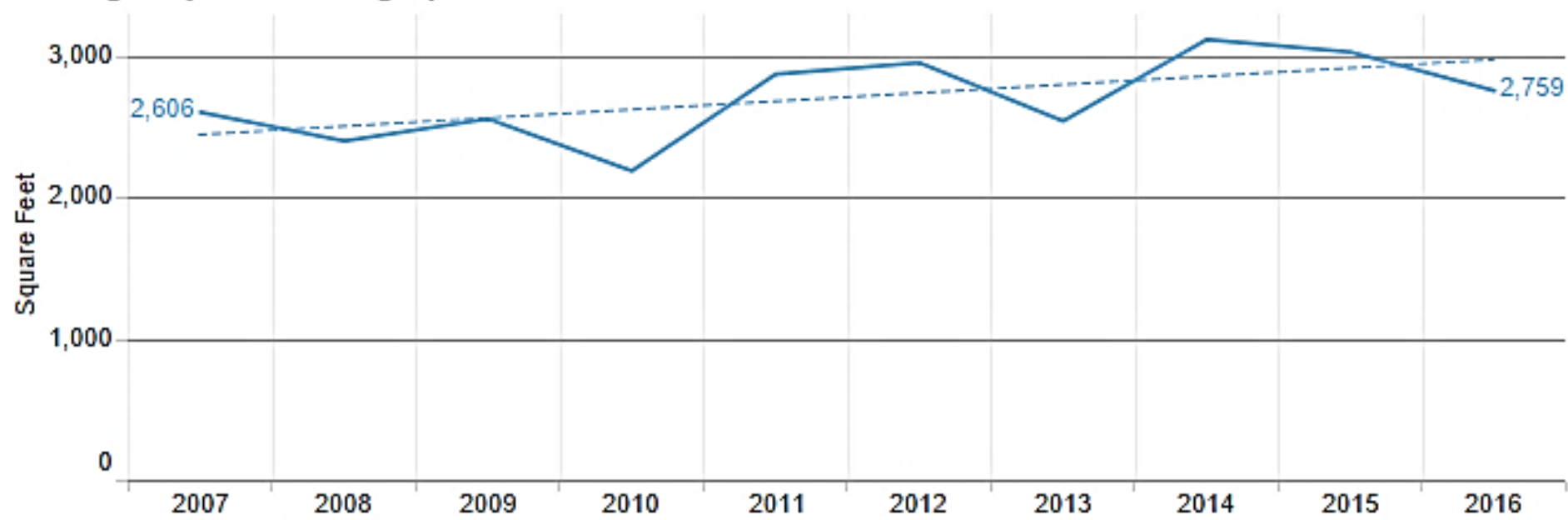


Retail rent by zip code



Source: CoStar

Average square footage per retail lease



Source: CoStar, author calculations

What does the future hold? A look at the smallest spaces available for rent in existing buildings versus those that will come online in the future reveals that small spaces may get even harder to come by. Using a threshold of 1,000 square feet -- the recommended size for a 5 to 6 chair hair salon -- we compared the number of small and large spaces available for lease in existing and future buildings.

Buildings with available retail space(s) under 1000 sq. ft.

Existing buildings



Buildings proposed, under construction, and under renovation



- Buildings without available spaces under 1,000 s.f.
- Buildings with available spaces under 1,000 s.f.

Commercial Affordability

22

- Taskforce recommendations under review
- Commercial Affordability Consulting Team – available now
 - ▣ Designing smaller spaces
 - ▣ Project feasibility
 - ▣ Using development incentives
 - ▣ Business planning

Full Report: www.seattle.gov/economicdevelopment/business-owners/commercial-affordability



CITY OF SEATTLE

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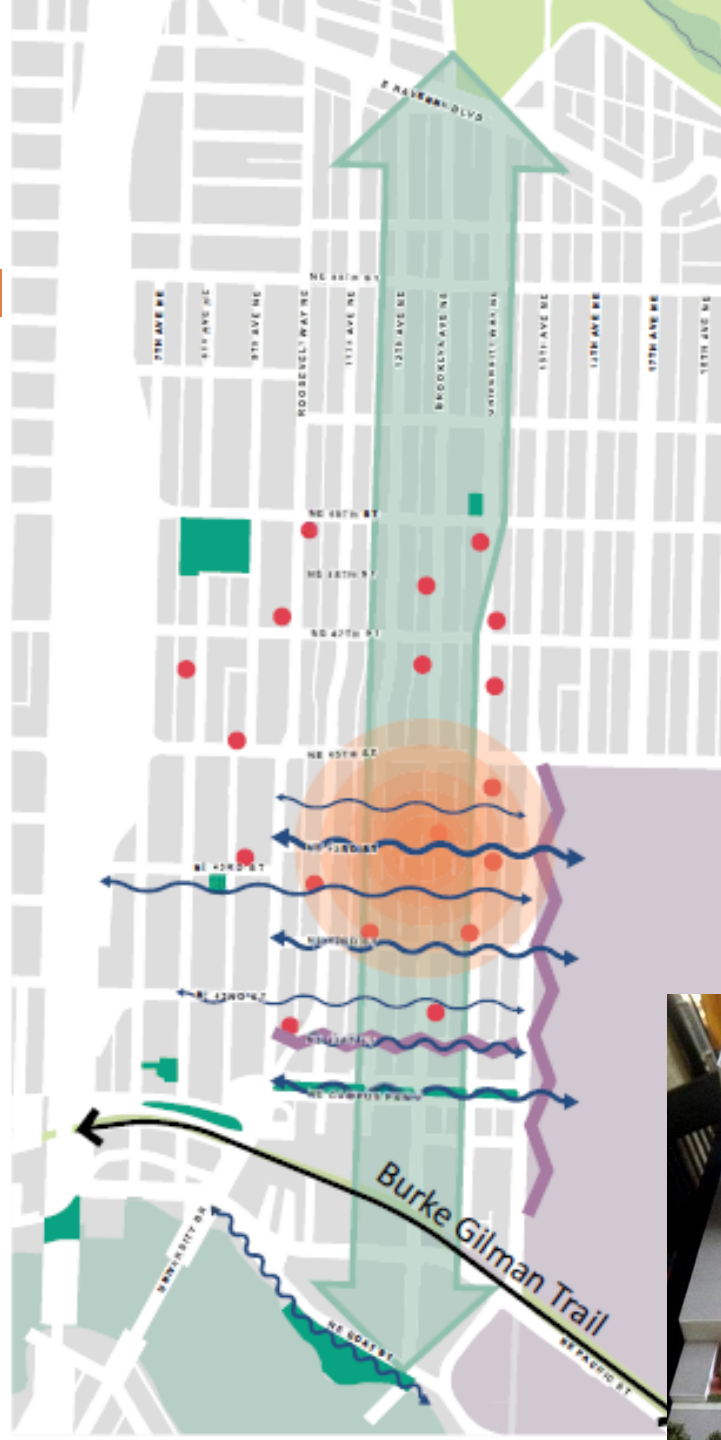
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Public space

24

- Key priority for many throughout process
- Volunteers inspired by Phil Thiel's plaza concept
- 2015 update to the neighborhood Parks Plan: 6 priorities

PUBLICLY-OWNED
CENTRAL SQUARE

A large, publicly-owned gathering space for all types of people in the District.

NORTH-SOUTH GREEN SPINE

A vegetation, pedestrian, and cycle connection(s) and safety from Cowen Park to the waterfront.

EAST-WEST PEDESTRIAN CONNECTIONS

More pedestrian options between NE 41st St and NE 45th St Campus Parkway, including mid-block pass-throughs and improved streetscape.

ACTIVATE EXISTING AND PLANNED PARKS

Enhancements and additional uses to existing and planned parks.

POCKET PLAZAS

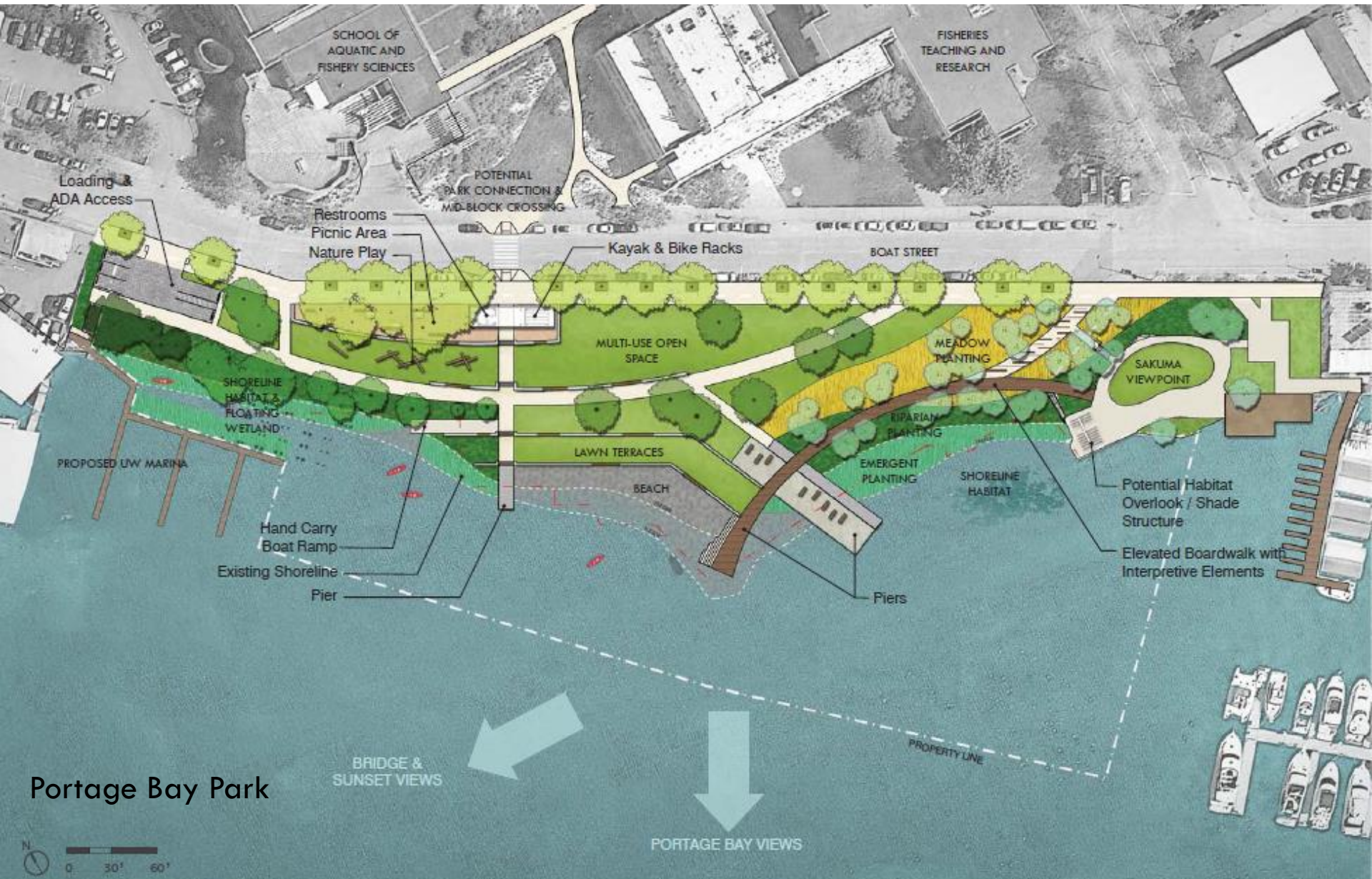
Small, publicly-accessible spaces,
integrated into activate streets and
new development.

UW CAMPUS EDGE

Better integration with UW open spaces, the addition of new attractions, and celebrated entrances along 15th Ave NE.



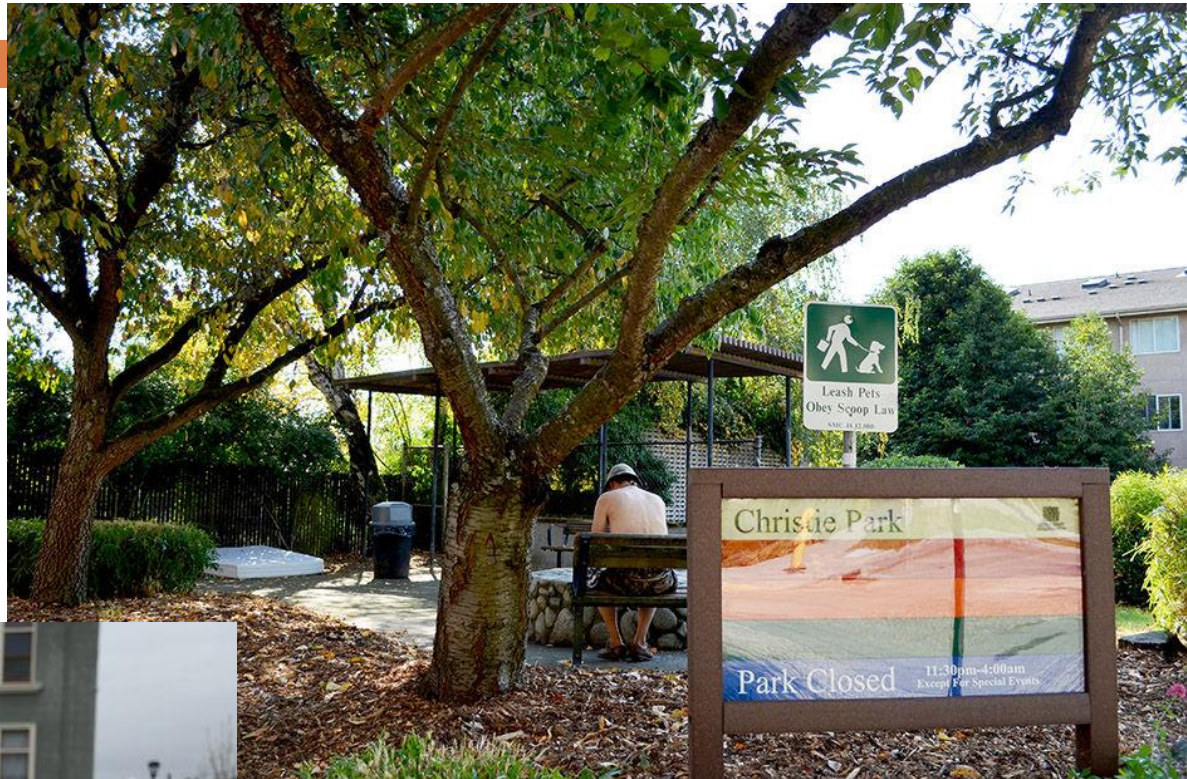
Public space investments: Seattle Parks



Public space investments: Seattle Parks

26

Christie Park expansion



University Heights Park

Public space investments: core

27

Plaza at corner of 43rd and Brooklyn, as part of UW station site development (example photo)



Sound Transit to build festival street on Brooklyn – partner with farmer's market (example photo)

Public space investments: core

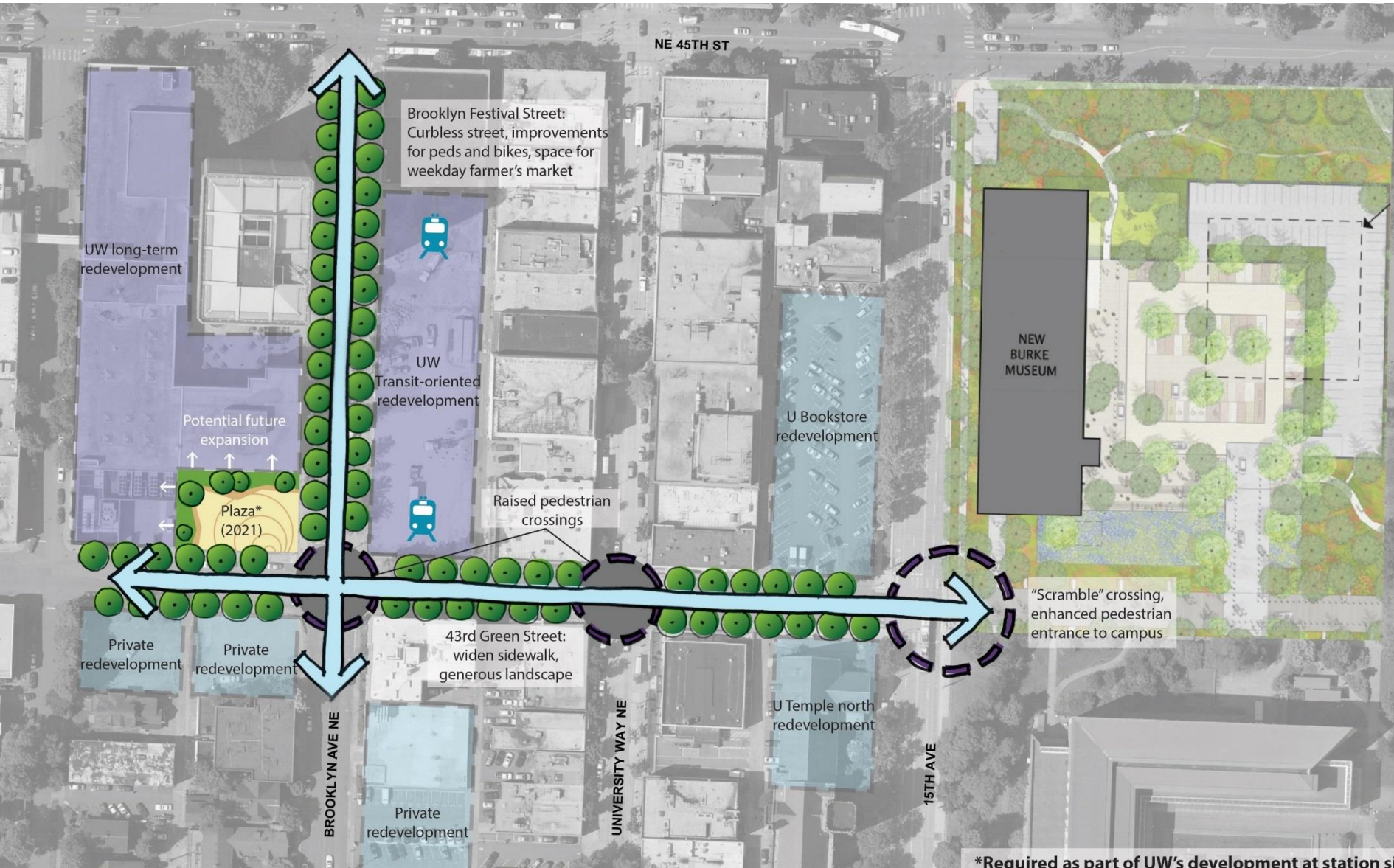
28

SDOT to build substantial pedestrian improvements on NE 43rd, connecting light rail to Ave and campus



New Burke Museum will include public open space

Public space investments: core



Detailed background: www.seattle.gov/dpd/udistrict

30



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S. Bowles