



SEATTLE CITY COUNCIL

Land Use Committee

Agenda

Wednesday, June 14, 2023

2:00 PM

Public Hearing

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Dan Strauss, Chair
Tammy J. Morales, Vice-Chair
Teresa Mosqueda, Member
Sara Nelson, Member
Alex Pedersen, Member

Chair Info: 206-684-8806; Dan.Strauss@seattle.gov

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Public Hearing

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<https://www.seattle.gov/council/committees/land-use>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at

<http://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin two hours before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to Councilmember Strauss at Dan.Strauss@seattle.gov

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda**C. Public Comment****D. Items of Business**

1. [Appt 02302](#) **Appointment of Rico Quirindongo as Director of the Office of Planning and Community Development, for a term to July 1, 2027.**

Attachments: [Appointment Packet v2](#)

Supporting Documents: [OPCD Director Confirmation Questions](#)

Briefing, Discussion, and Possible Vote (24 minutes)

Presenters: Deputy Mayor Tiffany Washington, Office of the Mayor; Rico Quirindongo, Office of Planning and Community Development (OPCD)

2. [CB 120591](#) **AN ORDINANCE relating to land use and zoning; correcting typographical and other technical errors, correcting section references, and clarifying regulations in sections that relate or may apply to low-income housing and other developments with units subject to affordability restrictions; amending, adopting new, and repealing obsolete defined terms relating to affordability of and eligibility to reside in certain housing; increase consistency and clarity of provisions that relate to low-income housing and restricted units; amending a limited number of provisions, including applicability of design review and authorization to request waiver or modification of certain development standards, to facilitate development of low-income housing; amending the title of Sections 23.44.019, 23.45.550, 23.47A.040, 23.48.100, and 23.49.007, amending Sections 22.900G.015, 23.34.012, 23.34.020, 23.41.004, 23.42.055, 23.42.057, 23.42.070, 23.44.024, 23.44.034, 23.44.041, 23.45.510, 23.45.512, 23.45.516, 23.47A.004, 23.47A.005, 23.47A.013, 23.48.005, 23.48.020, 23.48.232, 23.48.605, 23.48.920, 23.49.008, 23.49.010, 23.49.012, 23.49.014, 23.49.023, 23.49.037, 23.49.041, 23.49.058, 23.49.164, 23.49.180, 23.54.015, 23.58A.002, 23.58A.003, 23.58A.004, 23.58A.014, 23.58A.024, 23.58A.042, 23.58B.010, 23.58B.020, 23.58B.025, 23.58B.040, 23.58B.050, 23.58B.060, 23.58C.020, 23.58C.025, 23.58C.030, 23.58C.040, 23.58C.050, 23.66.100, 23.66.310, 23.70.008, 23.70.010, 23.72.002, 23.72.010, 23.73.010, 23.73.016, 23.75.020, 23.75.085, 23.76.032, 23.76.060, 23.84A.002, 23.84A.016, 23.84A.024, 23.84A.025, 23.84A.030, 23.84A.032, 23.84A.038, 23.84A.040, and 23.86.007, and repealing Sections 23.49.015 and 23.49.181 of the Seattle Municipal Code.**

Attachments: [Full Text: CB 120591](#)

Supporting Documents: [Summary and Fiscal Note](#)
[Director's Report](#)
[OH Presentation \(06/14/23\)](#)

Briefing and Discussion (24 minutes)

Presenter: Laura Hewitt Walker, Office of Housing (OH)

3. [CB 120581](#) **AN ORDINANCE relating to Design Review for affordable housing; adopting temporary regulations to exempt housing projects that meet Mandatory Housing Affordability requirements using on-site performance units from Design Review, and allowing permit applicants for all housing subject to Full Design Review the option of complying with Design Review pursuant to Administrative Design review; amending Section 23.41.004 of the Seattle Municipal Code; and adopting a work plan.**

Supporting Documents:

[Summary and Fiscal Note](#)

[Director's Report](#)

[SDCI Presentation \(06/14/23\)](#)

Briefing and Discussion (24 minutes)

Presenter: Mike Podowski, Department of Construction and Inspections (SDCI)

4. [CB 120520](#) **AN ORDINANCE relating to land use regulation of home occupations; amending Sections 23.42.050, 23.55.020, 23.55.022, 23.55.028, 23.55.030, and 23.55.036 of the Seattle Municipal Code to establish permanent provisions for home occupation businesses.**

Supporting Documents:

[Summary and Fiscal Note](#)

[Central Staff Memo \(5/15/23\)](#)

[Central Staff Presentation \(5/15/23\)](#)

[Central Staff Presentation \(6/14/23\)](#)

Briefing, Discussion, Public Hearing, and Possible Vote (24 minutes)

Presenter: Ketil Freeman, Council Central Staff

5. [CB 120587](#) **AN ORDINANCE** relating to environmental review; amending Section 25.05.800 of the Seattle Municipal Code to update categorical exemptions for “infill” development consistent with changes to the State Environmental Policy Act.

Attachments: [Att 1 - Summary of Environmental Protections](#)

Supporting

Documents:

[Summary and Fiscal Note](#)

[Central Staff Presentation \(6/8/2023\)](#)

Briefing, Discussion, Public Hearing, and Possible Vote (24 minutes)

Presenter: Lish Whitson, Council Central Staff

E. Adjournment



Legislation Text

File #: Appt 02302, **Version:** 2

Appointment of Rico Quirindongo as Director of the Office of Planning and Community Development, for a term to July 1, 2027.

The Appointment Packet is provided as an attachment.

City of Seattle



Director

Office of Planning and Community Development

**Confirmation Packet
July 20, 2022**

Rico Quirindongo



July 20, 2022

The Honorable Debora Juarez
President, Seattle City Council
Seattle City Hall, 2nd Floor
Seattle, WA 98104

Dear Council President Juarez:

It is my pleasure to transmit to the City Council the following confirmation packet for my appointment of Rico Quirindongo as Director of the Office of Planning & Community Development (OPCD).

The materials in this packet are divided into two sections:

A. Rico Quirindongo

This section contains Mr. Quirindongo's appointment and oath of office forms and his resume.

B. Background Check

This section contains the report on Mr. Quirindongo's background check.

At his core, Rico Quirindongo is a servant leader who uplifts the voices of community to inform Seattle's growth. As Rico guides his office through the *One Seattle* Comprehensive Plan Update, we have someone who sees the big picture and will seek the most creative, resourceful, and resilient ideas to help shape the city we want Seattle to become. Since serving as Acting Director, Rico has demonstrated an ability to facilitate challenging conversations, using a profound sense of empathy to bridge divides between people with different motivations and aspirations. It's a gift to have someone so able to bring disparate voices together to find common cause on issues ranging from industrial lands strategy to long-term planning.

Rico's qualifications are rooted in his depth and breadth of experience in the private, public and academic sectors. He earned his degree in Architecture from the University of Washington, where he would later return to facilitate the UW College of Built Environments Strategic Planning Process. He brings decades of experience practicing in both the architecture and planning fields, designing community assets like Seattle's Northwest African American Museum. As former Council Chair of the Pike Place Market Preservation & Development Authority, Rico was intensely focused on community building and finding consensus. As a former board member of the Historic Seattle PDA, he's committed to preserving Seattle's treasured places in the midst of Seattle's increasing population. Rico's diversity of experience and his commitment to embracing and managing growth while considering impacts to Seattle's people, neighborhood institutions, and intrinsic character is what makes him the clear and obvious choice for Director of Seattle's OPCD.

Mr. Quirindongo has served as Acting Director since March 2021, and I've been thoroughly impressed with the manner in the way he's managed his office and approached community engagement. To better

inform my perspective before nominating Rico for permanent appointment, my office consulted with stakeholders regarding his performance, including representatives from the Nehemiah Initiative, the University of Washington's College of the Built Environment, the Pike Place Market Preservation & Development Authority, the Seattle Planning Commission, Arte Noir, Historic Seattle, the Equitable Communities Initiative, and the Seattle Industrial & Maritime Strategy Council. The clear conclusion from stakeholders was that Rico is a respected, approachable leader with a positive disposition and strong personal integrity. Review of his community-centered and forward-thinking work since serving as head of OPCD and the strong support shown by the affected stakeholders is the process that informed my decision to advance Mr. Quirindongo for your consideration today.

Rico Quirindongo is committed to serving Seattle's culturally diverse communities through reinvesting in neighborhoods and addressing disproportionate impacts from Seattle's history and built environment. He looks to advance solutions to address displacement and support community resilience, like the Council-adopted legislation that provides additional density for affordable housing projects on land owned by faith-based organizations. Further, he demonstrates selflessness through his mentorship of both students and his peers, giving his time, expertise, and knowledge. In short, I believe we'd be fortunate to have Rico's continued leadership at OPCD.

I trust that after reviewing Rico's application materials, meeting with him, and following the diligent review of his credentials and vision through Councilmember Strauss' Land Use Committee, you will find that he is the right choice to serve as permanent Director of the Office of Planning & Community Development.

If you have any questions about the attached materials or need additional information, Deputy Mayor Tiffany Washington would welcome hearing from you. I appreciate your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Bruce A. Harrell". The signature is written in black ink and is positioned above the typed name and title.

Bruce A. Harrell
Mayor of Seattle

SECTION

A



City of Seattle

Mayor Bruce Harrell

July 15, 2022

Rico Quirindongo
Seattle, WA
Transmitted via e-mail

Dear Rico,

It gives me great pleasure to appoint you to the position of Director of the Office of Planning and Community Development at an annual salary of \$189,570.

Your appointment as Director is subject to City Council confirmation; therefore, you will need to attend the Council's confirmation hearings. Once confirmed by the City Council, your initial term is until August 1, 2026.

Your contingent offer letter provided employment information related to the terms of your employment, benefits, vacation, holiday and sick leave.

I look forward to working with you in your role as Director and wish you success. We have much work ahead of us, and I am confident that the Office will thrive under your leadership.

Sincerely,


A handwritten signature in black ink that reads "Bruce A. Harrell". The signature is written in a cursive, flowing style.

Bruce A. Harrell
Mayor of Seattle

cc: Seattle Department of Human Resources file



City of Seattle Department Head Notice of Appointment

Appointee Name: <i>Rico Quirindongo</i>		
City Department Name: <i>Office of Planning and Community Development</i>		Position Title: <i>Director</i>
<input checked="" type="checkbox"/> Appointment <i>OR</i> <input type="checkbox"/> Reappointment		Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Appointing Authority: <input type="checkbox"/> Council <input checked="" type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Specify appointing authority</i>		Term of Office: <i>City Council Confirmation to July 1, 2027</i>
Legislated Authority: <i>Seattle Municipal Code Section 3.14.991</i>		
Background: Rico Quirindongo’s qualifications are rooted in his depth and breadth of experience in the private, public and academic sectors. He earned his degree in Architecture from the University of Washington, where he would later return to facilitate the UW College of Built Environments Strategic Planning Process. He brings decades of experience practicing in both the architecture and planning fields, designing community assets like Seattle’s Northwest African American Museum. As former Council Chair of the Pike Place Market Preservation & Development Authority, Rico was intensely focused on community building and finding consensus. As a former board member of the Historic Seattle PDA, he’s committed to preserving Seattle’s treasured places in the midst of Seattle’s increasing population. Rico’s diversity of experience and his commitment to embracing and managing growth while considering impacts to Seattle’s people, neighborhood institutions, and intrinsic character is what makes him the clear and obvious choice for Director of Seattle’s OPCD.		
Date of Appointment: <i>7/20/2022</i>	Authorizing Signature (original signature): 	Appointing Signatory: <i>Bruce A. Harrell</i> <i>Mayor</i>



CITY OF SEATTLE ▪ STATE OF WASHINGTON
OATH OF OFFICE

State of Washington

County of King

I, Rico Quirindongo, swear or affirm that I possess all of the qualifications prescribed in the Seattle City Charter and the Seattle Municipal Code for the position of the Director of the Office of Planning and Community Development; that I will support the Constitution of the United States, the Constitution of the State of Washington, and the Charter and Ordinances of The City of Seattle; and that I will faithfully conduct myself as the Director of the Office of Planning and Community Development.

Rico Quirindongo

Subscribed and sworn to before me

this ____ day of _____, 2022.

[Seal]

Elizabeth M. Adkisson, Interim City Clerk

Rico Quirindongo, AIA

City of Seattle - Acting Director at Office of Planning and Community Development



Driven by the desire to have a meaningful impact on both the urban and natural landscape, **Rico works with community organizations to have a greater positive influence in their own neighborhoods through design.**

In his 27 years of professional experience as an architect, Rico developed a keen awareness of the special requirements for non-profit and public projects. His clients included Department of Social and Health Services, City of Seattle, and Seattle Public Schools.

As project architect for the Northwest African American Museum, he became well versed in the intricacies of adaptive reuse and historic renovation. Rico believes that buildings provide a rich context for our daily lives and that **investment in and care of our built environment are critical if we are to create sustainable and resilient communities.**

Rico is on the Bullitt Foundation Board and AIA National Strategic Council, was chair of the Pike Place Market Preservation and Development Authority Council, was a Downtown Seattle Association board member, and was AIA Seattle President in 2012-13. He was a mayoral appointee to the Historic Seattle Council, and a founding member of the National Organization of Minority Architects Northwest Chapter. Rico sat on the AIA+2030 national steering committee, a committee born out of AIA Seattle that has seen to it that 24 cities nationally provided curriculum to help designers and engineers reduce our national carbon footprint through high performance building design.

Rico's first Ted talk is called **Transforming Communities Through Architecture**. In both his professional and philanthropic activities, Rico places an emphasis on working with community leaders and youth because of his belief in the value and importance of their voice in shaping the future of our cities and our communities.

Professional Highlights

Education

Master of Architecture, University of Washington, 1998
Bachelor of Arts in Architecture and African: Afro-American Studies, Washington University, 1993

Registration & Licensing

Architect: WA

Professional Affiliations

Member of the American Institute of Architects (AIA)
Member of the American Planning Association (APA)

Selected Articles / Presentations

- 2022 US Conf of Mayors-Reno, NV
- 2022 Civic Engagement in American Climate Policy: Collaborative Models- Civic Green, Tufts University
- 2022 American Planning Association National Planning Conference Equity Panel
- 2022 AIA Seattle Practicing Equity & Advocacy in Rapid Decarbonization
- 2022 AIA Grassroots panel: The World We Want: Designing for Economic, Racial, Climate, and Environmental Justice
- 2022 New Cities Masterclass on housing, public private partnerships, ecodistricts
- 2021 Indiana University SE Applied Research dept.- Lecture for Community class- Sustainability & Regenerative Studies.
- 2021 National Building Museum presentation and panel discussion: Equity in the Built Environment: Improving Racial Equity through Greener Design
- 2021 Design in Public Breakfast Keynote
- 2021 NOMA Conference- Changing the Narrative: The Black Architect-Removing Obstacles, Creating Opportunities
- 2020 TEDxSeattle presentation goes live <https://tedxseattle.com/>
- 2020 Emerging Trends / State of Seattle's Waterfront
- 2020 CREW Luncheon - Seattle Waterfront
- 2020 AIA Forefront: Civic Leadership & Empowerment- A Conversation With Mayors & Architects
- 2020 Learning from Others Session | AIA Seattle's Establishing Meaningful Relationships with Communities You Serve
- 2020 NOMA Panel discussion: Changing the Narrative
- 2020 AIA Oklahoma Conference - Keynote Speaker
- 2020 AIA NW+PR Virtual Leadership Summit- Event Leader

Accomplishments since joining OPCD

- Rico joined the City of Seattle staff in January 2021, became Interim Director in March 2021, and since then has seen forth the following accomplishments:
- Through **EDI grants, the Strategic Investment Fund, and Strategic Land Acquisition budget**, OPCD has overseen community led decision making processes to allocate over \$47 million dollars to community-led development projects.
 - OPCD has increased efforts related to **Sound Transit 3** WSBL Community Engagement and Station Area planning.
 - OPCD grew the team, momentum, and strategy related to **Comprehensive Plan Major Update**, including launch of the One Seattle Plan community engagement strategy.
 - OPCD brought on a **Community Engagement** expert and began telling community stories that have allowed staff to celebrate successes with community, and advocate for greater resource for the long term planning work that is critical to the City's future success.
 - OPCD removed a longstanding log-jam in the City's **Industrial and Maritime Strategy** by getting consensus around 11 strategies with our stakeholder community in 2021 and saw forth the DEIS process in 2022.
 - Rico introduced the **Equitable Communities Framework** to the Capital Subcabinet and renewed a conversation around interdepartmental collaboration on behalf of community.
 - With the Mayor's Office and SDCI, OPCD launched the **Housing Subcabinet** to begin a conversation around collecting data, removing barriers, and developing strategic initiatives to increase all forms of housing in the City, particularly missing middle housing.
 - OPCD got **eight major pieces of legislation** passed in 2021, including legislation on Filling Vacant Storefronts in the downtown core, providing affordable housing on religious properties, and creating opportunity for development of an Interbay sports facility.
- Rico has been able to grow the momentum and impact of OPCD in the last year and a half, both as leader of the Office and as collaborator on a diverse, dynamic, and talented team.

Selected Articles / Presentations (cont'd)

- 2020 Kansas State University Panel Discussion: Building Equity/ Confronting Racism Thru Practice & Design
- 2020 Design In Public AIA Diversity Roundtable Discussion: Architect's Role in the Civic Conversation for Design Justice
- 2020 AIA Turbulent Times Webinar - Changing the Narrative: The Black Architect – Removing Obstacles, Creating Opportunities
- 2020 Digital Design Series AIA Oregon Presents Rico Quirindongo
- 2020 Bisnow Seattle: Equity, Inclusion, & Urban Planning Webinar
- 2020 AIA Art of Project Management Panel
- 2020 AIA Seattle Racial Justice Town Hall
- 2020 BuildingGreen Sustainable Communities presentation
- 2020 AIA Seattle Path to Equitable Leadership
- 2020 ULI Rapid Adaptation Panel
- 2020 IGTV Community Space in the Public Realm
- 2020 Bisnow Seattle Architecture & Design Summit
- 2020 Art & Architecture in Sports Venues Panel

- 2019 PSMJ Resources Panelist: A/E/C Diversity and Inclusion Recruiting
- 2019 Waterfront Park Development Presentation for CoreNet
- 2019 New Arena at Seattle Center CREW Seattle Presentation and Panel Discussion
- 2017 Panel Moderator: 'Imagineering a Postcarbon Seattle'
- 2017 Presentation: 'The Power of Community Engagement in the Design of Our Urban Fabric'
- 2017 AIA Course: "Civic Engagement: Think Globally, Act Locally"
- 2016 Placemaking Leadership Forum: presenter and panelist for "City Conversation: Vancouver's Spectacular Waterfront Opportunity"
- 2016 Walk21 Hong Kong Conference Presentation: "Seattle Waterfront Symposium- Creating an Equitable Walkable Urban Neighborhood"
- 2015 AIA National Convention course presentation on the Business Case for the 2030 Commitment
- 2014 AIA National Webinar 'Business Case for the 2030 Challenge'
- 2013 ARCHITECT: Magazine of the AIA. AIA Voices article Titled "The Collaborator: Working Through Transition"
- 2012 GoGreen Conference- Panel discussion on Emerging Leaders: Trends and Culture Shifts as a New Generation Takes The Torch.
- 2011 BIM There, Done That - Presentation to 100 attendants discussing the business case for firm transition to BIM

- 2010 NOMA Conference- presentation on sustainability, affordable housing, and community planning
- 2010 Building Science Seminar Panelist - Aggressive Retrofits vs. Historic Preservation
- 2010 Seattle Green Festival Panelist - De-paving Seattle: Increasing Green/Open Space
- 2010 Built Green Conference Presentation 'Beyond Vanilla Green: Pushing the Affordable Housing Envelope'
- 2010 Puget Sound Business Journal - Article in The Green Report: "Built to Last"
- 2010 Daily Journal of Commerce Building Green 2010 Article "African-Americans and Sustainability"
- 2009 Puget Sound Business Journal Article "Benefits of Sustainable Design Must Spread"
- 2009 NOMA Magazine Article "The New Black is Green"
- 2008 Daily Journal of Commerce Article "A New Beginning for the Colman School"

Radio Shows and Podcasts

- 2022 Rethink Real Estate For Good Podcast interview
- 2021 Morning Update Show interview- Midtown Square development
- 2020 KPTZ Interview RE: TEDxSeattle presentation
- 2020 KKNW Sustainability Sessions - Interview on Rebecca Sayre Radio
- 2020 KPTZ Interview: BlackSpace Manifesto, Board Service, SC Arena
- 2020 The AEC Leadership Today Podcast: Episode 031 Advancing AEC Equity, Diversity and Inclusion in 2020
- 2020 The AEC Leadership Today Podcast: Episode 007 Advancing Equity, Diversity and Inclusion

Selected Experience

Principal at DLR Group

Rico was Civic Design Leader for the Northwest Region at DLR Group. Since joining DLR Group in 2013, Rico had been project manager for over a dozen projects and design pursuits, including management of work at Google's Kirkland campus, preliminary design work for Seattle Center Arena, and the Master Use Permit Design Review process for a 244 unit student housing project east of University Village. He represented DLR Group on the local AIA 2030 Commitment Roundtable and the National 2030 Commitment working group and presented the business case for the 2030 Challenge at the AIA National Convention in 2015. Rico has been a mentor for dozens of the staff and annually creates events like Seattle Waterfront Symposium in 2015 and Pike St. Hillclimb Kiosk competition to provide young designers in the office engaging opportunities for civic design and community engagement locally. As Principal in Charge, Rico led DLR Group's efforts as local architect for the Seattle Center Arena project.

'Design Agency'

Rico led an initiative at DLR Group called 'Design Agency'. At its core, 'Design Agency' is intended to inspire staff at all levels of the practice to engage in their local community, invest in advocacy and pro bono efforts in which they are personally interested, and recognize that regardless of station, we all have agency to champion and affect social change through design.

Community Engagement

Rico's community engagement and design work at DLR Group placed him in a primary role of facilitating user groups, client groups, design teams and assisting teams regarding messaging, prioritization, implementation planning. Rico has done extensive work related to public domain, public right-of way and community engagement, including sitting on the One Center City Advisory, Imagine Greater Downtown Advisory, and serving as the Chair of the Pike Place Market Preservation and Development Authority Council. For the Seattle Center Arena, Rico led the effort which culminated in community surveys, two open houses with over five hundred attendants each, and a community engagement report for the City of Seattle, the developer Oak View Group and the National Hockey League documenting community input on the process. Rico also led the community engagement, open houses, survey, and public reporting for the Midtown development, a 429 unit mixed use project at 23rd and Union for Lake Union Partners in concert with Africatown Community Land Trust.

Principal at DKA Architecture

As former principal of a 28 person firm, Rico oversaw hiring, management, and evaluation of staff for over nine years, wrote the office human resource manual, and was in charge of staffing for all office projects. Rico was principal for five years and was a management team member for five years before becoming a principal. Rico ran management team and corporate board meetings, provided financial oversight for a firm that at its height grossed annual revenues in excess of \$5.8 million. Rico oversaw office management activities in addition to doing business development, marketing, design and project management of office architecture projects. Rico was a mentor for young staff and regularly engaged in studio critiques, AIA Young Architect gatherings, and AIA Diversity Roundtable events in order to meet, engage, and be a resource for students and young designers transitioning into practice. Rico worked alongside firm founder Donald King and Ted Sive to lead strategic planning efforts for the firm in 2009 and 2010.

City Planning Charrettes and Committees

Rico was a member of the selection panel for the Center City Art Plan artist residency in winter quarter of 2016. Rico was a participant in the Seattle Center: What's Next all-day planning charrette convened by the Mayor's office in September of 2016. He was a standing member of the One Center City Advisory Group, Imagine Greater Downtown Advisory and the Pike and Pine Streetscape Project Sounding Board.

Selected Experience (cont'd)

Involvement with UW College of Built Environment Post Graduation

With an emphasis on connecting academia back to practice, Rico has maintained regular involvement with the University of Washington College of Built Environment (UW CBE) at multiple levels.

1. UW College of Real Estate class lecture on community-informed development and UW Urban Form Class lecture, both in 2021.
2. Co-facilitated development of CBE Strategic Plan 2019-2020 with Ted Sive, executive leadership, faculty, and student body.
3. Annual UW Graduate design studio & thesis juries 2008-2019.
4. Thesis advisor for Ishmael Nunez with Rachel Berney, thesis on The Black Spatial Imaginary in Urban Design Practice: Lessons for Creating Black-affirming Public Spaces.
5. UW CBE Professional Practice class annual guest lecturer 2012-2018 (with Sharon Sutton through 2015).
6. 2011 BIM and the Changing Nature of Practice - Presentation to students and practitioners hosted by AIAS UW.
7. Guest review for multiple CEP 460 classes 2015-2016.
8. Practitioner roundtable participant in UW Design Lab with Rob Corser 2014.
9. Collaborated with Carrie Dossick on Interdisciplinary Design studios 2008-2010.

American Institute of Architects (AIA)

As a board member of AIA Seattle for six years and board president in 2013, Rico provided leadership on issues ranging from the fiduciary responsibility of the organization's \$1 million dollar annual budget to direction of the organization's goals and priorities. Rico was a founding committee member of the first Seattle Design Festival. He helped create AIA Seattle's partner not-for-profit, Design-In-Public, an organization focused on the betterment of design within the public realm. Rico helped drive creation of an AIA Seattle position paper on critical design values and issues related to redevelopment of Yesler Terrace, and engaged early meetings with Seattle Housing Authority leadership and Seattle City Council regarding development plans for the site. Rico developed strategic plans for both AIA Seattle and Design In Public in concert with Ted Sive and AIA Seattle Board members during his tenure as a board member.

AIA Diversity Roundtable

Rico is an elder with the AIA Seattle Diversity Roundtable (DRT) which seeks to provide education, advocacy, and conversation around equity, diversity, and inclusion in the built environment professional landscape. Rico has been with the DRT since 1996 and has organized and participated in the convening of numerous diversity workshops with the DRT. Of note recently are the panel discussions he has convened with the DRT in the last three years as part of the Seattle Design Festival to engage the City of Seattle in how Office of Planning and Community Development are supporting communities of culture and providing opportunities for impactful input from a POC (people of color) community related to built environment issues. In 2019, Rico was a facilitator for two workshops on diversity in the workplace, a collaboration between the DRT and the AIA Seattle Women In Design Committee.

Pike Place Market Preservation and Development Authority Council

Rico joined the Council in 2013 and became chair of the Marketfront Committee in 2015, the committee overseeing design and construction of a \$74 million project connecting the Market to the Seattle Waterfront. He provided management leadership related to the project design, budget, and programming. He was an integral member of Pike Place Market's leadership in development of this public asset in partnership with the City of Seattle and the Office of the Waterfront as the City develops and implements future Waterfront projects. Rico also chaired the 2017 Executive Director Hiring Committee, overseeing the Market's successful search for and hiring of a new executive director. He was Chair of the PDA 2018 to 2021 and worked with the new director and a planning consultant to develop a new strategic plan for the organization in 2018 and 2019.

Historic Seattle Council

As a mayoral appointee to the Council for five years, Rico was a regular part of the conversation about adaptive reuse and restoration of the rich historic fabric of buildings in our local built environment. Rico played a leadership role on the Council working with grassroots not-for-profits providing arts and cultural programming at Washington Hall, the most recent addition to Historic Seattle's portfolio of projects. Rico assisted in the development of the Memorandum of Understanding guiding the development of Washington Hall as a new cultural institution, and engaging the not-for-profits in creation of an interim governance plan.

Friends of Waterfront Seattle

Rico began working with Friends of Waterfront Seattle (FOWS) in 2015. Rico supported FOWS revitalization efforts for Pike Street Hillclimb, collaborated regarding programming efforts at the Hillclimb and Waterfront Park, and curated a design competition that resulted in the design and construction of a portable public outreach information kiosk for FOWS use. Rico also led the effort to create the 1st Annual Seattle Waterfront Symposium in 2015, a conversation crafted to inform stakeholders and the general public about public private partnerships, District Energy, and development opportunities in a Seattle Waterfront neighborhood, all through a lens of social equity and community engagement.

Urban League Village at Colman School

As project architect at DKA Architecture, Rico oversaw the conversion of a 1907 four-story brick school building into 36 units of affordable housing situated over an 18,000 SF Northwest African American Museum at the ground floor. Rico engaged the Seattle Landmarks Board in multiple design work sessions and presentations to reach consensus regarding the design of the 3-story elevator addition at this historic landmark building. Rico collaborated with the Urban League, Seattle Parks Department, and WSDOT to create a shared access easement along a portion the adjacent property vacated by WSDOT after the I-90 Lid project was completed, and engaged the Parks Department in collaborative design of the park which replaced WSDOT's former construction site. He worked hand-in-hand with the GC/CM Contractor on iterative project cost exercises and construction cost estimates to be responsive to a dynamic fundraising process and project programming goals that evolved throughout the design and construction process.

Seattle Office of Arts and Culture

Rico worked with leadership at the Office of Arts & Culture (ARTS) on preliminary feasibility, programming, and concept/schematic design work for their new offices, meeting, and gallery spaces at King Street Station. Rico was also one of the inaugural members of the BASE Cohort, a group created by ARTS to connect the dots between the development community and the artist community and ensure that affordable artist live, work, and exhibition spaces continue to be developed and maintained within the downtown core and remain available to artists and creatives at all income levels.

"We greatly appreciate Rico's persistent and creative contributions to bringing highly efficient shared energy solutions to the Waterfront area. The Seattle 2030 District relies on committed members like Rico and DLR Group to help us achieve our ambitious sustainability goals for the built environment in downtown Seattle and surrounding neighborhoods."

Susan Wickwire, Director of Seattle 2030 District

Selected Experience (cont'd)

Transportation Infrastructure

Rico has done numerous projects connecting communities. While an architect with DKA Architecture, Rico worked with Parsons Brinckerhoff and Hewitt Architects on design work at Rainier Station and Mercer Island, helping direct the conversation related to how stations would reflect the needs and culture of the neighborhoods being served. Rico worked on the Sounder commuter rail platform at King Street Station, and later, as a project manager for DLR Group, Rico oversaw a joint Olson Kundig / DLR Group design and engineering team through initial feasibility study for establishing the Seattle Office of Arts and Culture new headquarters at King Street Station, along with exhibit, culture, and community use spaces.

Board & Civic Committee appointments

(selected list in order from most recent to least recent)

- Urban@UW External Advisory Board
- American Institute of Architects (AIA) National Strategic Council
- Building Green Sustainable Community Design Leaders
- Bullitt Foundation Board
- Seattle Fire Foundation (Founding Member)
- Downtown Seattle Association
- Pike Place Market Preservation and Development Authority
- Key Arena Advisory Group
- Imagine Greater Downtown
- One Center City Advisory Group
- Design in Public
- Historic Seattle Council
- National Organization of Minority Architects, Northwest Chapter (NOMA NW) (Founding Member)
- ARCADE Journal Board of Trustees
- AIA Seattle Board
- Tabor 100 Board

Publications

- 2021 DIRT Community engagement is the foundation of equitable, built space
- 2020 BluePrint for Better: Improving Racial Equity Through Greener Design
- 2020 Architect Magazine: What Does Real Action Toward Achieving an Equitable Profession Look Like
- 2020 AIA ARCHITECT Article –A Seat at the Table

Awards

- 2021 Commercial Real Estate Leadership Award as a Neighborhood Champion by the Puget Sound Business Journal
- 2020 AIA Citizen Architect Award
- 2020 Appointment to Strategic Council as NW+PR Strategic Council Representative
- 2014 AIA Seattle Young Architect Award
- 2011 AIA National Citizen Architect
- 2010 AIA National Diversity Best Practice Award AIA Seattle Diversity Roundtable Leader
- 2009 Puget Sound Business Journal's "40 Under 40"

Awards Juries

- 2022 Bullitt Foundation Prize
- 2021 AIA ACSA Intersections Research Conference Co-Chair
- 2021 Office of Housing Rental Housing Awards
- 2020 AIA Utah ward jury chair
- 2020 AIA National Firm of the Year Award
- 2020 AIA Northwest and Pacific Region Student Awards
- 2016 AIA Georgia Honor Awards
- 2014 U.S. National WoodWorks Design Awards

“Rico did a fantastic job of taking the design through the City of Seattle Landmarks Board design review and controls and incentives process. Rico also mediated the Section 106 design review at the State level that was required due to the HUD funding component to the project. In concert with the mediation of multiple funder and authorizing agency requirements, Rico leveraged adaptive reuse opportunities in the project design. The project (Colman School) has resulted in multiple awards of recognition, including the Award of Merit, by the National Association of Housing and Redevelopment Officials in 2008.”

Vaughn McLeod, Director of Facilities and Construction,
"Housing Resources Group"

Summary of Positions Held

- 03/21 - Present Interim Director, Office of Planning & Community Development, City of Seattle (1 yr 5 mos)
- 01/21 - 03/21 Deputy Director, Office of Planning & Community Development, City of Seattle (2 mos)
- 12/13 - 01/21 Architect/Principal, DLR Group (7 yrs 2 mos)
- 08/02 - 11/13 Architect/Principal, DKA Architecture (11 yrs 5 mos)
- 01/00 - 08/02 Designer, HKIT Architects (2 yrs 8 mos)
- 08/99 - 01/00 Designer, BAR Architects (5 mos)
- 01/96 - 08/99 Project Designer and IT/CAD manager, Donald I King Architects dba DKA (3 yrs 8 mos)

SECTION

B



City of Seattle

Seattle Department of Human Resources

Kimberly Loving, Interim Director

June 23, 2022

TO: Adam Schaefer, City Budget Office

FROM: Annie Nguyen, Seattle Department of Human Resources

SUBJECT: Background check for Rico Quirindongo

The Seattle Department of Human Resources has received a copy of **Rico Quirindongo's** background check provided by Global Screening Solutions. There were no findings that would impact their employment eligibility.

Cc: Personnel File

Seattle Department of Human Resources

Seattle Municipal Tower, 700 5th Avenue Suite 5500, PO Box 34028, Seattle, WA 98124-4028
(206) 684-7999 • TTY:7-1-1 Fax: (206) 684-4157 • Employment Website: www.seattle.gov/jobs

An equal employment opportunity employer. Accommodations for people with disabilities provided upon request.



Council Questions of Rico Quirindongo

Nominee for Director of the Office of Planning & Community Development (OPCD)

1. As Acting Director of the Office of Planning & Development (OPCD) since March 2021, what accomplishments are you most proud of and what has surprised you?

When I came into this position of leadership at OPCD, I was confronted by a circumstance where staff did not feel empowered to fully lean into the difficult challenges of the city that they saw in front of them. They did not feel the full reach of their voice, their strength, their vision, or their power. What I am most proud of since adopting the position of Acting Director is what we have been able to accomplish as a team. With my support and direction, we created a video series to document the great work of staff in the community, and by which we have begun to document and tell the stories of many of the incredible Equitable Development Initiative community-based organizations that we have the good fortune to call partners.

Supported by Council, we created a community engagement staff position focused on our Comprehensive Plan Major Update. We have expanded our reach into community, through our virtual engagement, our One Seattle Plan Update Engagement Hub, through our relationship with Community Liaisons and Community Based Organizations, community stakeholders, community leaders, volunteers, business owners, and families. We are doing planning and community development work by Leading With Equity, through earnest intent and engagement.

With our Industrial and Maritime Strategy, we are leading a discussion regarding support of workforce blue collar jobs and businesses, collaboration with Maritime community leadership, business, and landowners in our two Manufacturing Industrial Centers. We have been able to move a positive and important conversation for the city forward in a way that we have not been able to do in over 16 years.

We have been active supporters of downtown recovery and are partners on the Downtown Activation Plan. Our office is leading the conversation on office-to-residential conversion, as well as looking for rezone opportunities throughout our downtown core to promote development that can help energize the central business district as a place to work, live, and enjoy our beautiful city.

What has surprised me is the toll public service takes on the individual. OPCD is populated by forty-nine (and counting) incredible individuals of diverse backgrounds, whose wide-ranging talents make our work impactful and effective. I see a group of people who get out of bed every day inspired to execute on work to reverse the negative

impact of our terrible redlining past, to lean into the challenge of creating generational wealth opportunities for our BIPOC communities across the city, and who want to find meaningful solutions to provide accessible and affordable housing in the city for all. I have been surprised at how much of a toll the challenge of this work takes on staff, particularly our staff of color. It emboldens me to want to do more, and to do better.

2. What are your goals for the Office? What metrics will you use to measure success?
 - a. ***Collaborate with our fellow departments through our Capital Subcabinet and Equitable Communities Framework.*** *Through the work with offices and departments with whom we most closely partner: Office of Housing, Office of Economic Development (OED), and the Department of Neighborhoods (DON), we can model a policy development structure, community engagement, and a streamlined capacity-building and granting pipeline for initiatives where community input and need directly informs where and how we invest. This does not just extend to community investment and initiatives—there is a strong nexus to how we leverage infrastructure and capital dollars for public benefit, prioritizing individuals, families, and organizations providing public service that have traditionally been under-resourced. OPCD would like to work with our capital departments and Capital Budget Office through the Equitable Communities Framework working group we are developing and the larger Capital Subcabinet to develop mapping and tracking tools that will allow us to consistently prioritize and evaluate our investments through an equity lens.*
 - b. ***Create a path for Equitable Housing for all and Resilient and Sustainable neighborhoods.*** *Through our One Seattle Comprehensive Plan Major Update community engagement and work with the Mayor’s Office and SDCI, we will create a rubric that allows us to quantify where missing middle housing production gaps are across the city. We will look at where we can incentivize development of infill housing, townhome, and multifamily development and how we can remove barriers to building affordable housing. Working with OED and OSE and using the Social Determinants of Health as a framework for evaluation, we will begin to assess what resources are needed or are missing from communities across the city. We will develop a land-use strategy intended to ensure that all in the city have access to housing, are within walking distance of transit, parks, educational opportunities, and retail and grocery establishments that support households and families. Success will be measured by the investments made by both public institutions and the private sector in response to modified and updated zoning that we put in place.*

c. Furthering our City's Equitable Development goals and Support Generational Wealth Opportunities. *Six years ago, the Equitable Development Initiative (EDI) was created to respond to community leaders clearly identifying lack of access to sufficient financial resources to put toward built environment projects led by culturally diverse organizations. EDI is a program specifically designed to mitigate displacement pressures, especially for BIPOC organizations in communities of color. The program is successful and is achieving the goals that were laid out by the founders of this effort. Through EDI, we prioritize and ensure that organizations across the city achieve ownership of modern, permanent, quality spaces out of which they provide services that support community. The program as it currently exists, however, is not enough to offset the increase in cultural displacement pressures that families, particularly of color, experience as the organizations that serve them continue to be displaced from the city.*

3. What currently are the biggest challenges for the city's long term planning goals? What is guiding you in your work?

The biggest challenge that I see in our city's long term planning goals is twofold: (1) accommodating the continued growth of our city population and the deficit of sufficient housing stock to serve our communities and (2) creating generational wealth opportunities for our communities of color. I am guided by our Mayoral vision for One Seattle, the vision to create one city where all have a place, are valued, and can afford to live, work, and thrive. I am also inspired by Gregg Colburn and his book 'Homelessness is a Housing Problem' which provides a strong data driven rationale for how our underproduction of sufficient housing stock pushes lower income families out of the city limits and contributes to the growth of our homeless population.

4. As Seattle grows, a constant issue has been balancing the need to integrate urban transformation, development, and infill into established neighborhoods. How does Seattle need to shift to grasp the opportunities and offset the drawbacks of growth? How can we better balance our need to become a modern, accessible, livable city while preserving the unique characteristics and histories of our communities?

Seattle is a city of unique and wonderful neighborhoods and communities that call them home. Growth needn't conflict with neighborhood vitality. The issue of importance that we have to balance as a part of the implementation of our City's Comprehensive Plan is one of scale and response to existing context. We live in a city of 750,000 people that will likely increase to a million people in the coming decades. With our region's geographic constraints, and with the state and regional commitments for the city to do its part in accommodating growth, we must continually seek new ways for Seattle to welcome new residents and businesses. We will need to increase our housing stock in order to keep up with that job growth so that people that work in our city can also live here. Those homes will need to be accessible to people at all education and income levels to match the diversity of job availability that makes our city function.

Our neighborhoods will need to add density, but there are many tools at our disposal to accomplish this in a thoughtful and intentional way – part of an evolution of our current

built environment. Our Neighborhood Residential zones, in particular, will now have to add a wide range of missing middle housing types that can complement our current housing while providing more affordable homes for small and larger households, families, seniors who want to remain in community, and many others. This is a continuation of the transformation begun with the adoption of new ADU/DADU regulations several years ago. In accordance with State legislation which recently passed mandating greater density, and as we consider zoning changes for even more housing choice in our neighborhoods, we will design our standards to promote the types of housing we most need, while achieving important design outcomes, including opportunities to retain existing homes alongside infill development.

We already ensure through our land use and building code that development of ADUs and DADUs fits into the existing context of our neighborhoods. As we look at the potential for greater density at existing neighborhood business nodes and transit corridors and in neighborhoods across the city, we will also need to establish code parameters that ensure that new developments and adaptive reuse of existing buildings take their height, bulk, scale, and building character cues from their surrounding context.

5. What needs to occur for Seattle to adopt a 15-minute-city framework that encourages walking, biking, transit, and local amenities – either throughout the entire city or piloted in certain areas?

A key goal of the One Seattle Comprehensive Plan Update is to promote the elements of a “15-minute city” or what we prefer to call a city of complete, connected, and equitable neighborhoods. Our plan will address a three-part strategy.

First, we can provide more housing opportunities within an easy walk (or, in some cases, bike ride) of the kind of amenities that meet people's everyday needs. We can identify where those amenities are located, areas that already have characteristics of a “15-minute” neighborhood and focus new housing growth alongside our existing commercial nodes, parks, schools, and other community assets.

Second, we can make it easier to provide new businesses and other non-residential uses in residential neighborhoods where currently people must use a car to access everyday needs that are lacking in their immediate surroundings. Allowing “corner stores”, home-based businesses, and services such as childcare can be incorporated into how we plan for land use in our urban neighborhoods.

Third, a “15-minute” neighborhood cannot function without safe and convenient pedestrian infrastructure, bicycle facilities, safe streets, and a healthy environment for small businesses. We know that gaps and chronic disinvestment in many communities today are challenges in achieving our vision for the future. That is where key partnerships between OPCD and other departments, such as SDOT, OED, and Parks, are crucial as we implement the Comprehensive Plan.

Finally, all of this work must be accomplished in partnership with community, through robust engagement. Local communities best know their needs, challenges, and current assets to preserve and build on for the future.

6. Sustainability has been a core value of Seattle's Comprehensive Planning efforts since 1994. As we go forward, we will need to be more aggressive to proactively address climate change through adaption and mitigation, as well as prioritize resiliency measures to protect residents. What strategies will you prioritize so that Seattle will meet its climate change goals and prepare for climate change impacts?

OPCD is addressing climate change by working closely with key departments, especially OSE, SDOT, OEM.

Strategies to mitigate GHG emissions include 1) Encouraging future growth in locations near transit, 2) Expanding the locations where people can walk or bike to access daily needs, and 3) Ensuring land use is coordinated with transportation infrastructure and other community assets. We can also promote a more energy efficient building stock that can support a transition to low carbon energy.

Strategies to adapt to climate change include 1) protecting and enhancing tree canopy, environmentally critical areas, and other vulnerable locations and 2) identifying and mitigating the impacts on frontline communities that are at heightened risk of harm from climate change.

The One Seattle Comprehensive Plan Update will include a more robust and integrated set of policies that address both mitigation and resilience in a new dedicated chapter (element) of the plan.

We are also working now to create a more equitable response to climate change. One key example is OPCD support for the Duwamish Valley Partnership to plan and implement adaptation strategies especially those to adapt to sea-level rise, flooding, extreme heat, and air pollution. Because much of the land in Seattle that will be affected by sea level rise this century is in the Duwamish Valley, the Duwamish Valley Program obtained a Robert Wood Johnson Foundation grant to establish a vision and strategy for equitable sea level rise adaptation —in partnership with the impacted communities — as part of a holistic strategy in support of creating a Duwamish Valley Resilience District. This work could serve as a model for other climate adaptation work throughout the city.

Other examples include promoting green infrastructure in capital projects and the funding the EDI program provides to community organizations for projects that support community capacity and resilience.

7. The Office of Planning and Community Development reports to the Mayor and submits workplans to the City Council. Should there be a policy difference, how do you see your role in reconciling differing policy preferences between the Mayor and the Council? What is your style in finding opportunity to bridge divides?

OPCD is an Office of the Mayor, but the relationship that we have with City Council is critical and vital, particularly thinking of the planning function that is a central mission of our office. We submit a high-level work plan to the Mayor's Office which becomes part of an overall work program every year for the Mayor's Office and the Cabinet. In addition, we create a more detailed workplan for each of our office divisions that we share with City Council in the first quarter of every year.

When there are, at times, policy preference differences between the Mayor and City Council, it is important for us to determine how we can proceed such that policy work is not impeded and we are all able to move forward with legislation that is often required. Sometimes that means legislation will come down from the Mayor's Office for Council consideration and amendment. Other times that may mean working with Councilmembers and Council staff to provide technical support for prospective legislation that will be put forth by Councilmembers directly and not from the Mayor's Office.

We collaborate with Councilmembers on program work and prospective legislation. We regularly put together 'roadshows' regarding specific bodies of work to bring to Councilmembers for input. In addition, any time a Councilmember comes to us with a suggested work program or legislative proposal, we want to learn more about the opportunity, and will set aside time to work with you and staff to explore the issue presented. Finally, with Statements of Legislative Intent, we will always make sure that our work is responsive to Councilmember interests and direction.

8. What is your overall philosophy towards management of your team? Specifically, describe your philosophy towards managing a team, developing and implementing a department budget, addressing internal personnel issues, and ensuring that work plans are followed.

Philosophy towards managing a team: *It is critically important to me that everyone on my team understands their role and responsibilities. Just as important is that staff feel trusted and valued—everyone's opinion matters and everyone is at the table for a reason. Each of my Management Team members owns a body of knowledge, a body of work, and a staff complement that support that work. I support everyone on my team to not only take ownership of the work in their division, but I also encourage collaboration, so that divisions support each other. With engagement of community and leading with equity as drivers of our work, communication and collaboration are critical to our success. Along those lines, we have developed Vision/Mission/Values documents, along with a Community Engagement Ethos to ensure that we are all operating from the same playbook and rowing in the same direction.*

At a tactical level, we have strengthened work planning practices to better manage staff needs and workflow. My staff are expected to be fully engaged in meetings: our meetings have clear agendas, timelines, and action items. We have a weekly Management Team meeting and regular staff meetings on all projects. My deputy director and I each are executive sponsor to upwards of 20 major projects to ensure that they all receive adequate oversight and attention. I have the good fortune of working with a staff team that bring incredible passion, enthusiasm, and energy to their work—I pride myself on providing them with the leadership, strategic direction, confidence, and support to continue to be successful.

Developing and implementing a department budget: *It is important for me to convene a transparent and collaborative process with both managers and staff.*

We begin discussing budget implications and strategies at the beginning of the new year. Once we start budget season in March/April, we share our CBO/MO/OPCD internal coordination calendar with both managers and staff. We ask all managers to coordinate with their staff to ensure that if there are upcoming project needs, we can vet them internally and after workshopping can put forth well-considered recommendations for Mayors Office consideration. We work closely and collaboratively with CBO to ensure they understand the purpose, intent, and depth of need for all budget modification requests.

Addressing internal personnel issues: *Nothing is more important to the inner functioning of an office than understanding and accepting the responsibility of managing office staff needs and issues. I have weekly meetings with both my deputy director and HR liaison to keep on top of all HR issues. I also meet with Division Managers one-on-one weekly to ensure their work is progressing and that staff needs are met. During these touch points, I have the opportunity to check in to see how they are doing and how their staff is doing—both productively and emotionally. Personal issues with staff increased during the pandemic, and I have spent a great deal of time supporting an inclusive and resilient office culture. Part of that focus involves one-on-one meetings with all staff twice a year to maintain connection, particularly people with whom I am not working directly on project work. I also work with my deputy director and management team to convene regular All-Staff meetings and all staff / team workshops to address mental wellbeing, equity issues, team communications, and anti-bias training.*

Ensuring that work plans are followed: *To be successful, everyone in the office must understand the resources available to them and the parameters that shape the work: the constraints, timelines, and dollar amounts. For this reason, we ensure that we start off every year with a review for staff of what is in our budget for the year and who is responsible for what bodies of work including any Statements of Legislative Intent. We also periodically check in on budget and commitments throughout the year. I develop a work program for the year with the Management Team that is reviewed internally with staff and then externally with the Mayor's Office and Council. This year, we are adding a*

new productivity tool, Asana, to build an internal, sharable database of our work program and to support project-level work planning that will improve our staff management and tracking. Beyond my regular cadence of meetings where I track project progress, we ensure that both roadblocks and opportunities are understood and communicated out regularly so that we can stay on top of the work and course correct when needed so that we can continue creating quality work product.

9. Please discuss how you will further incorporate the City's Race and Social Justice Initiative into the Office and into your leadership. How will you improve racial equity outcomes through your management of OPCD?

Leading with Equity Team: *The Leading with Equity (LWE) Team is a group internal to OPCD focused on imbuing RSJ and racial equity considerations into our work program and office culture. LWE has worked on the language that appears in our job hiring and advertising documents, developed an onboarding process that considers a broad set of experiences and backgrounds, and helped development of the Equitable Project Management Workbook.*

Change Team: *OPCD and SDCI operate a shared model of Change Team. This is the space where city-level RSJ and equity issues are discussed and advanced. I have periodic meetings with the Change Team co-leads to determine how I can best support their work. I also am able to learn of concerns that are happening beyond OPCD and at times have shared my ideas for how to better support staff with other directors.*

White and POC caucuses: *The caucus spaces are intended to be safe places for staff members to have authentic conversations about racial issues, personal development of racial equity skillsets, and times to connect authentically with peers. We have worked with the Office of the Ombud to ensure that the facilitation and expectations within the space are working well for staff.*

Trainings and Office Culture: *Both the management team and the entire OPCD staff have engaged in recurring training to increase understanding, deepen connection with peers, and increase accountability. The management team developed a charter through a facilitated process that was focused on collaboration with one another and accountability to staff. To advance the work, individuals on the management team had to embrace their differences that inform their experience and their projects. The Office of the Ombud led a number of popular trainings with tremendous staff participation focused on topics such as trauma-informed care and bystander intervention. These trainings centered cultural awareness and anti-racist behaviors. Staff also went through a series of trainings on exploring assumptions and being curious and open-minded when dealing with colleagues. All of these trainings were about trust building and creating a culture within the office where people are free to both call-out and call-in colleagues. As mentioned, the pandemic and the societal dialogue on race has created both an emotional strain and an insistence by staff that issues around racial bias be addressed. OPCD takes seriously that we must be responsive to those calls and make space for each*

member of our staff to be comfortable in how they show up to work.

10. Seattle continues to experience over a decade of rapid growth. However, this growth has contributed to the displacement of low-income communities and communities of color in Seattle. How will you approach managing growth and investment while protecting Seattle residents and businesses who are at risk of displacement to make sustained progress on equitable development? How will OPCD determine the geographic location and number of below-market rate residential rental units to inform the Comprehensive Plan development?

The One Seattle Comprehensive Plan Update will be strongly informed by the successes and challenges the city has experienced over the past decade of rapid growth and continued displacement of low-income households and BIPOC communities. A primary goal will be to reduce market pressure by increasing the supply and diversity of housing options, especially lower-cost options for rental and ownership. Addressing housing scarcity is necessary, but not sufficient alone to enable Seattle to grow without displacing our most vulnerable residents and communities. Just as important, we will design our growth strategy to focus new residential development in low-displacement risk areas, while providing housing that is needed in high-risk areas to enable communities to remain in the city. An integrated anti-displacement strategy, informed by analysis and input from community and stakeholders, will accompany the Comp Plan update that we deliver to Council for consideration in 2024. Key tools we are exploring include inclusionary zoning to generate construction of housing for low-income residents (including MHA and other tools), targeted affordable housing investments, financial and zoning support for existing homeowners to build wealth and housing opportunities on their properties, and sustained funding for community-supportive investments in non-profit organizations, such as through EDI. The update will also explore new and expanded ways to help businesses and institutions stay in place through supports, grants, and technical assistance; policies to encourage smaller and more affordable commercial space; and flexible zoning for community-driven equitable development and anti-displacement projects.

OPCD, in collaboration with our EIS consultants, will use best available data to analyze the distribution, number, and affordability levels of rental units by neighborhood to inform the Comprehensive Plan update using data from CoStar, PSRC, Census, and OH. See below response to question 11 for more on displacement analysis and strategies.

11. Please outline any plans to ensure that the City's One Seattle comprehensive plan update will be adequately informed by analyses of the effectiveness of previously adopted displacement mitigation measures and risks of future physical, economic, and cultural displacement.

The Comp Plan EIS will include analysis of impacts on potential displacement under each of the growth strategy alternatives. This work will be informed by the Equitable

Development Monitoring Program which includes a dashboard of measures of displacement. We are also updating our composite displacement risk map for the city.

Development of anti-displacement strategies will be informed by economic analysis, input from communities most affected, and lessons learned from tools that have been successful in countering displacement, including OH investments and programs and community projects funded by EDI.

12. Public feedback is essential when creating our One Seattle comprehensive plan major update. How will you ensure all voices are heard, and everyone across our city is able to participate in a meaningful way? How do you give equal voice to those who have been historically marginalized with those who are adept at navigating city public involvement processes?

Community engagement is central to the mission and work of OPCD. Whether at a citywide or project-specific level, community input helps shape, guide, and implement OPCD projects and initiatives. Engagement makes us responsive to community needs, aligns us with community-driven practices, and ensures that our planning efforts are reflective of what communities need and want. Engagement can build relationships with communities that continue to grow and evolve even after a project is ‘complete’, ensuring that our office remains accountable and accessible to the communities we serve.

With the Comprehensive Plan Update engagement process underway, OPCD is demonstrating the effectiveness of how it designs and implements responsive, meaningful, and equitable community engagement. We have:

- Resourced partnerships with five community-based organizations (CBOs), each of which serves a BIPOC or other historically underrepresented community, to conduct deeper engagement in the communities they serve. The work of these CBOs reflects unique engagement strategies that are tailored to a diverse range of key underrepresented communities, toward a final deliverable that includes policy recommendations that OPCD will use to shape the draft Plan.*
- Worked with DON’s Community Liaisons to reach key communities including BIPOC, non-English speaking, immigrant, elderly, disabled, and unhoused populations. Like our CBO partners, our Community Liaison cohort co-created engagement strategies that met communities where they are, rather than asking them to come to the City.*
- Embraced the hybrid nature of engagement accelerated by the pandemic by creating a centralized online platform for all virtual Comprehensive Plan engagement. The Engagement Hub allows us to communicate about the Plan in plain-English, with a heavy focus on graphics. It is translated into all seven of Seattle’s Tier 1 languages. The platform is designed to make engaging around the Comprehensive Plan more accessible both in terms of where and when it is accessed—over 70% of users access the platform*

using a mobile phone—but also more equitable: 38% of Engagement Hub users self-identify as BIPOC—5% more than the current BIPOC population in Seattle itself.

City boards and commissions are also an important way to connect with community stakeholders. OPCD has met with almost 20 boards and commissions to brief them and to obtain their feedback and expert guidance on the Comprehensive Plan Update. Among these, we have continued to develop key relationships that have allowed us to deepen our engagement with key underrepresented communities. Of particular significance for the Comprehensive Plan engagement are Green New Deal Advisory Board, the Transportation Equity Workgroup, the Indigenous Seattle Advisory Council and Workgroup, and OPCD’s Equitable Development Initiative Advisory Board.

Finally, we are striving to be much more transparent about what we are hearing from community and how that feedback is shaping City policy. This includes regular report outs from each engagement phase and making unfiltered public input available on our engagement hub.

With our Comprehensive Plan engagement, we are building trust within communities that have been marginalized in the past as we craft and execute plans. We ask about and seek to respond to their needs, developing the relationships that will be essential to the effective implementation of this Plan Update.

13. Development is cyclical and we will most likely see a slowdown in the market or our economy, if we’re not already. Discuss your approach to planning and managing a Planning Department during an economic or real estate downturn.

Historically, Seattle has experienced ups and downs in the pace and amount of housing and commercial development. These cycles are inevitable and also unpredictable, as the last decade of sustained growth has shown. The work of OPCD is invaluable during the boom times, helping the city adjust to the pressures for new development while supporting communities that are at risk of displacement, but arguably more so during the slow times.

As an office we take a long-range view to planning for growth and supporting community. Troughs in the development cycle are often the best time to take on the long-range planning that prepares the city for future surges in the local economy. There is breathing room to take stock of what we learned from the last high-growth period, engage with community around a new vision, and put the tools (zoning, anti-displacement, capital improvement plans) in place. This can happen at the citywide and neighborhood scales.

Downturns are also periods of heightened vulnerability for low-income BIPOC communities, residents and businesses, who are often the ones who are most at risk of displacement. The work that we do through the EDI program is perhaps even more

important during these times, not only to support communities in the moment, but also to build the capacity and opportunity to benefit as a community when the inevitable return of growth and investment in our city returns.

We are, of course, very aware that the City budget is affected by development and economic cycles. As an office, we are well positioned to use our resources wisely in lean times, with flexibility to deploy our policy and community development staff to the projects and areas of focus that are prioritized to achieve the long-term value described above.

14. Please speak to any plans and strategies to incentivize the production of more housing – both market rate and affordable.

***Increasing housing production for all kinds of homes** (market-rate and income restricted; family-sized to micro housing; ownership and rental) is paramount to addressing the regional housing shortage and our affordability crisis. The most impactful way we can increase production is to increase zoning capacity in more areas, which we will do in a thoughtful way through Comprehensive Plan major update and station area and local planning with community.*

The One Seattle Comprehensive Plan Update represents a major opportunity to increase the supply, diversity, and affordability of housing in Seattle. As part of this work, we will implement zoning changes to allow new types of housing in neighborhoods across Seattle, like triplexes, fourplexes, sixplexes and cottage clusters that offer alternatives to detached houses. We're also working to unlock more space for apartments and condos and microhousing, and to expand access near frequent transit and amenities, and we will create new walkable neighborhood centers.

While increasing the amount and variety of housing is critical for addressing housing scarcity, it's also insufficient for meeting the needs of low-income households and others not served by the market. OPCD is also working with partners to implement new strategies to create more income-restricted affordable housing. We will be discussing options for new requirements or incentives for affordable housing in newly rezoned areas, such as implementing Mandatory Housing Affordability (MHA) and new floor area bonuses for deeply affordable housing and equitable development projects.

***Housing Subcabinet – Tactical near-term changes.** We are working closely with the Mayor's Office and partner departments in the housing subcabinet on a broad range of actions to increase production. This will result in targeted near-term changes. In 2022, we sent down legislation with technical changes to increase townhouse production.*

We are working across three areas in the Mayor's Housing Subcabinet:

- 1 Quantifying our housing needs and setting measurable targets for meeting them*

- 2 *Collaborating across departments to remove barriers during permitting and construction*
- 3 *Identifying policy and regulatory changes needed to achieve our housing goals and targets*

The subcabinet is currently identifying various changes to make the development process faster and more predictable.

Separately, what policy options would you recommend to actuate more developers choosing to build affordable housing units on-site within new development (performance option) versus paying into the fund that supports future affordable housing development (payment option)?

Payment and performance both have value for the City's affordable housing objectives. The payment option lets the City produce more homes that are affordable because of leveraging non-City funds and allows us to fund types of units the market doesn't provide, like larger family-size homes and units for very low-income households with incomes at or below 30 percent of area median income (AMI). Payment also allows small projects for which performance would not be feasible to contribute to our affordable housing resources.

Performance helps by producing income-restricted affordable homes in high-opportunity neighborhoods where the high cost of land makes it challenging to build subsidized housing. Performance also lets the private market create income-restricted homes concurrent with the nonprofit sector. We are exploring ways to support projects interested in providing affordable homes on-site through performance.

To increase performance we recommend periodically updating the relationship between MHA payment and performance requirements to ensure they reflect market conditions, which can help balance projects choosing each option. We are looking at creating modified MHA program requirements for small-scale developments that can make it easier for them to perform onsite. OPCD is working with the Mayor's office, Office of Housing and the subcabinet. Overall the program – which requires all new development to contribute to affordable housing – has been very impactful, bringing in \$75-\$110M per year.

15. How will OPCD incorporate urban forestry conservation and management into the One Seattle comprehensive plan?

The Comprehensive Plan Update represents an opportunity to study the impact that different approaches to growth could have on tree canopy over the next 20 years. This includes studying in an EIS potential new areas for growth and development in neighborhood centers, near transit corridors, and across neighborhood residential areas. In this work, we are committed to planning for needed housing growth in all

neighborhoods, while achieving a healthy citywide tree canopy and a more equitable distribution of the benefits that tree canopy brings to community.

The One Seattle Plan can incorporate additional goals and policies to support the work of multiple departments. For example, as OPCD develops potential new zoning code to allow more diverse housing in neighborhood residential areas, we are exploring how development standards can create opportunities and incentives for on-site open space that would allow retention of existing significant trees and/or planting of new trees. We coordinated our work with SDCI, who developed revised tree ordinance protections. The biggest opportunities for mitigation and enhancement of our tree canopy is on public land, and we are working closely with both SDOT and SP&R to make sure that the Plan provides direction on their investments in trees in the right-of-way and in our parks facilities.

Finally, our elevated emphasis on climate resilience in the One Seattle Plan, including a new climate element, centers the importance of tree canopy as mitigation for heat impacts, with a particular focus on the intersection of low canopy cover and BIPOC and other frontline communities.

16. Understanding our maritime industries are some of Seattle's oldest industries, how will you work to support our maritime and port sectors and help prepare our industrial sectors for the future through planning and community development?

In March 2023 we transmitted major legislation to Council that makes land use policy updates and holistic zoning changes to industrial zones. We expect Council to vote on the legislation by June. The changes respond to the consensus by a broad cross-section of stakeholders. We are proud that there will be action after years of stalemate about industrial lands. Changes will:

- Strengthen protections for maritime and logistics businesses in core industrial areas near infrastructure and ports, and clamp down on loophole development that has happened there;*
- Create new jobs-focused transit-oriented development in areas near our future light rail stations, that envisions a new innovative mix of light industry with technology and other uses.*
- Create healthier, greener, cleaner makers districts in industrial areas near urban villages and neighborhoods such as Georgetown, South Park and Ballard*

We are working closely with SDOT, Port of Seattle and the Northwest Seaport Alliance (NWSA) to facilitate needed investments in freight infrastructure that can be woven into the Seattle Transportation Plan and its funding plan.

We are also working closely with OED and the Port of Seattle to strengthen equitable job training and access programs so good-paying jobs in maritime and industrial sectors are available to more women and persons of color than ever before.

17. Please briefly describe your vision for our city, your department as a whole, and for the staff who make your department run.

I believe we have a lot of work to do to make the City of Seattle more equitable. We need to ensure everyone has a voice, regardless of where they live in the city, regardless of what the level of income that they make, regardless of the color of their skin or the nature of their heritage. We need to ensure that anyone that works in the city of Seattle has the ability to earn a living wage. We need to ensure that for anyone that chooses to or wants to live in the city of Seattle, that they have access to an affordable place to live, whether they are renting or buying, and regardless of their level of income. We need to right the wrongs of our past, which are many, not the least of which is the terrible history of redlining, racial covenants and other racist land-use policies that were built into the regulatory framework for who was allowed to acquire property and own a home in our city. We must support our Tribal partners and our urban indigenous organizations to ensure that the First People of our city are able to be seen and be celebrated, and are able to live in comfort and pride, with the rich cultural traditions that are so grounded in the care of family, community, and place. We must create opportunities for our BIPOC families and business owners across the city to build generational wealth.

Through our programs at the Office of Planning and Community Development -- One Seattle Plan, Industrial Maritime Strategy, Equitable Development Initiative, station area planning and downtown subarea plan work, through our collaborations with our fellow City offices and departments, and through our partnerships with community and the Mayor's office -- we are invested in all of these visions and intended outcomes for all Seattle residents.

I am humbled by and grateful to the amazing, talented and diverse staff that make OPCD what it is; the incredible program work we are able to sustain, the heart, soul, and focus that our staff has in a true commitment for Leading with Equity and making certain that whatever policy work and community investments that we make as a department and as a City, that we do them in such a way that we are raising all boats, improving the places that people live work, and play, and that we are giving voice and power to those that have been traditionally unseen and under-supported. I want to ensure that my staff feel seen, feel celebrated, and feel empowered; to be who they are and who they want to be, to grow, to be challenged, and to be embraced.

I have never had any job more meaningful to me than this one as Acting Director of OPCD. I love Seattle and see that this is the most meaningful way for me to give back and to support the great vision that all of you have for this great city. Thank you for your consideration and for the opportunity to answer your questions.

18. The Equitable Development Initiative is a community-born, anti-racist strategy to combat displacement. What are specific plans at OPCD to expand the scope of EDI to further combat historical redlining and in areas that benefited from racial conveniences?

We are doing a multitude of activities to expand the scope of the EDI program:

- *Building staff capacity by adding two FTEs this year to meet the critical needs of project management as the portfolio grows*
- *Co – Facilitating the Indigenous Seattle program and vision for indigenous communities regarding land use and the development arena in the Seattle proper*
- *Building the team’s legal aptitude regarding equitable contracting practices and partnership models including project sponsors, Community Development Associations and the City of Seattle*
- *Leading Land Use Policy Development centering EDI projects that are/have been directly impacted by redlining/racial covenants (High Risk of Displacement/Low Access to Opportunity) to support generational wealth building and access to resources that will support the development of Black owned properties (Equitable Zoning Pilot)*
- *Reimagining the EDI RFP Process with communities most impacted via surveying and engagement plan to evaluate the impacts of our investments within target geographic areas, marginalized populations, and their overall access to EDI funds (RFP Survey, and awaiting Division leadership for guidance)*
- *Continuing to build interdepartmental programmatic/funding alignment to support deeper/comprehensive project and neighborhood/place-based investments (OH/OED/OPCD SLI, Capital Sub Cabinet)*
- *Hiring a new Division Director/Manager this year who will co- create recommendations with the EDI Advisory Board, OPCD Director and City leadership*

19. OPCD aims to build economic vibrancy, climate resiliency, and meeting everyday needs within proximity of affordable home. As member of the C40 cities initiative, how will OPCD ensure that these investments are made in historically under-invested communities?

OPCD makes many of our project and investment decisions based on low access to opportunity and high risk of displacement mapping methodologies. We understand that these communities, which are often overlapping, have not received the same level of investment and planning. Our work is focused on making sure the distribution of our resources reflects this historical disinvestment and focuses on retaining the vibrancy and resiliency of our neighborhoods. OPCD remains committed to having our work be shaped by directing resources to under-invested communities and looking for opportunities within larger planning efforts.

Aside from the Equitable Development Initiative’s mission and the focus areas of the Community Planning program, OPCD has been working on refining how the Capital Subcabinet directs its work. Many departments rely on a version of the Race and Social Equity Index to inform decision-making around programming and investments—there

have been conversations convened by OPCD and CBO around how to use a shared methodology that would manifest through mapping that shows common areas of investment and open the potential for collaborative planning and capital investment. A current goal of the Subcabinet is to develop a shared understanding of where under-invested areas of the city lie and a workplan that focuses on synergistic opportunities to leverage planning and investment that centers these communities' needs.



Legislation Text

File #: CB 120591, **Version:** 1

AN ORDINANCE relating to land use and zoning; correcting typographical and other technical errors, correcting section references, and clarifying regulations in sections that relate or may apply to low-income housing and other developments with units subject to affordability restrictions; amending, adopting new, and repealing obsolete defined terms relating to affordability of and eligibility to reside in certain housing; increase consistency and clarity of provisions that relate to low-income housing and restricted units; amending a limited number of provisions, including applicability of design review and authorization to request waiver or modification of certain development standards, to facilitate development of low-income housing; amending the title of Sections 23.44.019, 23.45.550, 23.47A.040, 23.48.100, and 23.49.007, amending Sections 22.900G.015, 23.34.012, 23.34.020, 23.41.004, 23.42.055, 23.42.057, 23.42.070, 23.44.024, 23.44.034, 23.44.041, 23.45.510, 23.45.512, 23.45.516, 23.47A.004, 23.47A.005, 23.47A.013, 23.48.005, 23.48.020, 23.48.232, 23.48.605, 23.48.920, 23.49.008, 23.49.010, 23.49.012, 23.49.014, 23.49.023, 23.49.037, 23.49.041, 23.49.058, 23.49.164, 23.49.180, 23.54.015, 23.58A.002, 23.58A.003, 23.58A.004, 23.58A.014, 23.58A.024, 23.58A.042, 23.58B.010, 23.58B.020, 23.58B.025, 23.58B.040, 23.58B.050, 23.58B.060, 23.58C.020, 23.58C.025, 23.58C.030, 23.58C.040, 23.58C.050, 23.66.100, 23.66.310, 23.70.008, 23.70.010, 23.72.002, 23.72.010, 23.73.010, 23.73.016, 23.75.020, 23.75.085, 23.76.032, 23.76.060, 23.84A.002, 23.84A.016, 23.84A.024, 23.84A.025, 23.84A.030, 23.84A.032, 23.84A.038, 23.84A.040, and 23.86.007, and repealing Sections 23.49.015 and 23.49.181 of the Seattle Municipal Code.

The full text of this Council Bill is attached to the legislative file.

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to land use and zoning; correcting typographical and other technical errors, correcting section references, and clarifying regulations in sections that relate or may apply to low-income housing and other developments with units subject to affordability restrictions; amending, adopting new, and repealing obsolete defined terms relating to affordability of and eligibility to reside in certain housing; increase consistency and clarity of provisions that relate to low-income housing and restricted units; amending a limited number of provisions, including applicability of design review and authorization to request waiver or modification of certain development standards, to facilitate development of low-income housing; amending the title of Sections 23.44.019, 23.45.550, 23.47A.040, 23.48.100, and 23.49.007, amending Sections 22.900G.015, 23.34.012, 23.34.020, 23.41.004, 23.42.055, 23.42.057, 23.42.070, 23.44.024, 23.44.034, 23.44.041, 23.45.510, 23.45.512, 23.45.516, 23.47A.004, 23.47A.005, 23.47A.013, 23.48.005, 23.48.020, 23.48.232, 23.48.605, 23.48.920, 23.49.008, 23.49.010, 23.49.012, 23.49.014, 23.49.023, 23.49.037, 23.49.041, 23.49.058, 23.49.164, 23.49.180, 23.54.015, 23.58A.002, 23.58A.003, 23.58A.004, 23.58A.014, 23.58A.024, 23.58A.042, 23.58B.010, 23.58B.020, 23.58B.025, 23.58B.040, 23.58B.050, 23.58B.060, 23.58C.020, 23.58C.025, 23.58C.030, 23.58C.040, 23.58C.050, 23.66.100, 23.66.310, 23.70.008, 23.70.010, 23.72.002, 23.72.010, 23.73.010, 23.73.016, 23.75.020, 23.75.085, 23.76.032, 23.76.060, 23.84A.002, 23.84A.016, 23.84A.024, 23.84A.025, 23.84A.030, 23.84A.032, 23.84A.038, 23.84A.040, and 23.86.007, and repealing Sections 23.49.015 and 23.49.181 of the Seattle Municipal Code.

..body

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 22.900G.015 of the Seattle Municipal Code, last amended by Ordinance 125982, is amended as follows:

22.900G.015 Fees for review by the Office of Housing

~~((An applicant))~~ At application for a Master Use Permit, or for the first building permit that includes the structural frame for the structure if no Master Use Permit is required, where the application includes a proposal to provide or make a financial contribution for ~~((affordable housing or low income housing through the transfer of development rights or transfer of development potential, or as a condition of incentives, or to mitigate housing impacts according~~

1 ~~to~~) restricted units required by Section 23.34.004, (~~(Section 23.49.012,)~~) Section 23.49.014,
2 (~~(Section 23.49.015, Section 23.49.181,)~~) Section 23.54.015, Chapter 23.58A, Chapter 23.58B,
3 Chapter 23.58C, or Section 23.75.085, the applicant shall pay a housing review fee (~~(with~~
4 ~~application for the permit)~~) in the amount of \$550 to the Office of Housing (~~(for review of the~~
5 ~~application)~~).

6 Section 2. Section 23.34.012 of the Seattle Municipal Code, last amended by Ordinance
7 126509, is amended as follows:

8 **23.34.012 Neighborhood Residential Small Lot (RSL) zone, function, and locational criteria**

9 A. Function. An area within an urban village that provides for the development of homes
10 on small lots that may be more affordable compared to detached homes on larger lots and
11 appropriate (~~(and affordable to)~~) for households with children (~~(and other households which~~
12 ~~might otherwise choose existing detached houses on larger lots)~~).

13 * * *

14 Section 3. Section 23.34.020 of the Seattle Municipal Code, last amended by Ordinance
15 123495, is amended as follows:

16 **23.34.020 Lowrise 3 (LR3) zone, function, and locational criteria**

17 * * *

18 C. The LR3 zone is also appropriate in (~~(areas located in)~~) the Delridge High Point
19 Neighborhood Revitalization Area, as shown in Map A for 23.34.020, provided that the LR3
20 zone designation would facilitate a mixed-income housing development initiated by the Seattle
21 Housing Authority or other public agency(~~(;))~~ , a property use and development agreement is
22 executed subject to the provisions of Chapter 23.76 as a condition to any rezone(~~(;))~~ , and the
23 development would serve a broad public purpose.

* * *

Section 4. Section 23.41.004 of the Seattle Municipal Code, last amended by Ordinance 126741, is amended as follows:

23.41.004 Applicability

A. Design review required

1. Subject to the exemptions in subsection 23.41.004.B, design review is required in the following areas or zones when development is proposed that exceeds a threshold in Table A or Table B for 23.41.004:

- a. Multifamily;
- b. Commercial;
- c. Seattle Mixed;
- d. Downtown; and
- e. Stadium Transition Area Overlay District as shown in Map A for

23.74.004, when the width of the lot exceeds 120 feet on any street frontage.

2. Subject to the exemptions in subsection 23.41.004.B, design review is required in the following areas or zones when commercial or institution development is proposed that exceeds a threshold in Table A or Table B for 23.41.004:

- a. Industrial Buffer; and
- b. Industrial Commercial.

3. The gross floor area of the following uses is not included in the total gross floor area of a development for purposes of determining if a threshold is exceeded:

- a. Religious facilities;
- b. Elementary and secondary schools;

1 c. Uses associated with a Major Institution Master Plan (MIMP); or
2 d. Development of a major institution use within a Major Institution
3 Overlay (MIO) district.

4 4. Any development proposal participating in the Living Building or 2030
5 Challenge High Performance Existing Building Pilot Program according to Sections 23.40.060
6 and 23.40.070, including a development proposal for an existing structure, regardless of size or
7 site characteristics, is subject to full design review according to Section 23.41.014.

8 ~~((5. Any development proposal, regardless of size or site characteristics, is subject~~
9 ~~to the administrative design review process according to Section 23.41.016 if it receives public~~
10 ~~funding or an allocation of federal low-income housing tax credits, and is subject to a regulatory~~
11 ~~agreement, covenant, or other legal instrument recorded on the property title and enforceable by~~
12 ~~The City of Seattle, Washington State Housing Finance Commission, State of Washington, King~~
13 ~~County, U.S. Department of Housing and Urban Development, or other similar entity as~~
14 ~~approved by the Director of Housing, which restricts at least 40 percent of the units to occupancy~~
15 ~~by households earning no greater than 60 percent of median income, and controls the rents that~~
16 ~~may be charged, for a minimum period of 40 years.~~

17 6.)) 5. Any development proposal that is located in a Master Planned Community
18 zone and that includes a request for departures, regardless of size or site characteristics, is subject
19 to full design review according to Section 23.41.014. If a development proposal in a Master
20 Planned Community zone does not include a request for departures, the applicable design review
21 procedures are in Section 23.41.020. A development proposal in a Master Planned Community
22 zone, which includes a request for departures and provides affordable housing per subsection
23 23.41.004.A.5, shall be subject to administrative design review according to Section 23.41.016.

1 ~~Planned Community zone that meets the requirements according to subsection 23.41.004.A.5~~
2 ~~shall be exempt from design review if the applicant files a complete building permit application~~
3 ~~while this ordinance is in effect, except that the applicant may elect to have the project be subject~~
4 ~~to design review notwithstanding the preceding exemption.~~

5 ~~2. Requests for departures. If a project is exempt from design review according to~~
6 ~~subsection 23.41.004.D.1, the Director may consider requests for departures from the following~~
7 ~~development standards in this Title 23:~~

- 8 ~~a. Requirements for bike rooms and the quantity of bike parking;~~
- 9 ~~b. Requirements for the size of parking spaces;~~
- 10 ~~c. Requirements for overhead weather protection;~~
- 11 ~~d. Requirements facade openings, articulation, and modulation and art on~~
12 ~~the facades of buildings but not including limitations on structure width;~~
- 13 ~~e. Requirements for the size and design of common recreational areas,~~
14 ~~amenity areas, community rooms, and similar indoor amenities but not including any required~~
15 ~~outdoor open space;~~
- 16 ~~f. Requirements related to residential uses, transparency, blank facades,~~
17 ~~and floor-to-floor height at street level, except as otherwise limited in subsection 23.41.012.B;~~
18 ~~and~~
- 19 ~~g. Other similar standards as determined by the Director, not including~~
20 ~~those listed in subsection 23.41.012.B, that pertain to the interior of the building and do not~~
21 ~~affect the size of the building envelope.~~

22 ~~3. Departures decision. Requests for departures according to subsection~~
23 ~~23.41.004.D.2 shall be evaluated by the Director, in consultation with the Office of Housing, in~~

1 ~~light of the particular population designed to be served by the project, and may be granted by the~~
2 ~~Director as a Type I decision if the departure would not impact the overall height, bulk, and scale~~
3 ~~of the proposed building and would result in additional housing units meeting the standards of~~
4 ~~subsection 23.41.004.A.5 being constructed.)) D. Exemptions; applicability. Low-income
5 housing that vests according to Section 23.76.026 prior to the effective date of this ordinance
6 may also use the design review exemption authorized according to subsection 23.41.004.B.8.~~

7 Section 5. Section 23.42.055 of the Seattle Municipal Code, last amended by Ordinance
8 126685, is amended as follows:

9 **23.42.055 ((~~Low-income housing~~) Development of affordable units on property owned or**
10 **controlled by a religious organization**

11 A. This Section 23.42.055 establishes the requirements for ((~~developments using~~) use of
12 alternative development standards for ((~~low-income housing~~) development of affordable units
13 on property owned or controlled by a religious organization where allowed by the provisions of
14 the zone.

15 B. Eligible property. The property must be owned or controlled by a religious
16 organization at the date of the permit application.

17 C. Affordability requirements

18 1. ((~~Eligible households. All dwelling units or congregate residence sleeping~~
19 ~~rooms permitted pursuant to this Section 23.42.055 shall serve only:~~

20 a. ~~For rental units, households with incomes no greater than 80 percent of~~
21 ~~median income, adjusted by household size.~~

22 b. ~~For ownership units, households with incomes no greater than 80~~
23 ~~percent of median income, adjusted by household size.)) All units permitted pursuant to this~~

1 Section 23.42.055 shall be affordable units. For purposes of this Section 23.42.055, “affordable
2 unit” means a dwelling unit that is a restricted unit subject to housing cost and income limits no
3 higher than 80 percent of median income.

4 2. Duration. The ~~((obligation to provide dwelling units meeting the))~~ requirements
5 of subsection 23.42.055.B shall last for a period of 50 years from the date of the certificate of
6 occupancy or, if a certificate of occupancy is not required, from the date of the final building
7 permit inspection for the development to which this Section 23.42.055 applies.

8 3. Affordable rent. Monthly rent shall not exceed 30 percent of 80 percent of
9 median income. ~~((For purposes of this subsection 23.44.055.C.3, "monthly rent" includes a~~
10 ~~utility allowance for heat, gas, electricity, water, sewer, and refuse collection, to the extent such~~
11 ~~items are not paid for tenants by the owner, and any recurring fees that are required as a~~
12 ~~condition of tenancy.))~~

13 4. Affordable sale price

14 ~~((a. Affordable price – initial sales. The initial affordable sale price must~~
15 ~~be an amount in which total ongoing housing costs do not exceed 30 percent of 80 percent of~~
16 ~~median income. The Director of Housing will establish by rule the method for calculating the~~
17 ~~initial sale price including standard assumptions for determining upfront housing costs, including~~
18 ~~the down payment, and ongoing housing costs, which must include mortgage principal and~~
19 ~~interest payments, homeowner's insurance payments, homeowner or condominium association~~
20 ~~dues and assessments, and real estate taxes and other charges included in county tax billings. The~~
21 ~~Director of Housing may establish by rule a maximum down payment amount.~~

22 ~~b. Affordable price – resales. Eligible households for purchase of an~~
23 ~~ownership unit subsequent to the initial sale must have incomes no greater than 80 percent of~~

1 ~~median income at initial occupancy.~~) The Office of Housing will establish by rule the formula
2 for calculating maximum affordable prices for initial sales (~~(subsequent to the initial sale)~~) and
3 resales to allow modest growth in homeowner equity while maintaining long-term affordability
4 for (~~(future)~~) income-eligible buyers.

5 D. Agreement. As a condition of building permit issuance for a development according to
6 this Section 23.42.055, the property owner and the (~~(City)~~) Director of Housing must enter into
7 an agreement in a form acceptable to the City that includes housing covenants consistent with
8 this Section 23.42.055 and the final plan set approved by the Department. The agreement must
9 be recorded on the title of the eligible property (~~(on which the low income housing development~~
10 ~~is located)~~).

11 E. Applicability. (~~(The alternative development standards for low income housing on~~
12 ~~property owned or controlled by a religious organization that are available in each zone may be~~
13 ~~applied to projects)~~) Projects that vested according to Section 23.76.026(~~(s)~~) prior to August 9,
14 2021, in accordance with subsection 23.76.026.E and that satisfy the requirements of this Section
15 23.45.055 are also eligible to use the alternative development standards authorized by this
16 Section 23.42.055 where allowed by the provisions of the zone.

17 Section 6. Section 23.42.057 of the Seattle Municipal Code, last amended by Ordinance
18 126684, is amended as follows:

19 **23.42.057 ((~~Permanent supportive housing~~) Waivers and modifications for low-income**
20 **housing**

21 (~~(Permanent supportive)~~) Low-income housing must meet the development standards for the
22 zone in which it is located except as follows:

1 A. Requests for waivers or modifications. The Director may consider requests for waivers
2 or modifications from the following development standards in this Title 23:

- 3 1. Requirements for the size of parking spaces;
- 4 2. Requirements for ratios of vehicle parking sizes;
- 5 3. Requirements for overhead weather protection;
- 6 4. Requirements for facade openings, articulation, and modulation (~~(and art)~~) on
7 the facades of buildings except limitations on structure width may not be waived or modified;
- 8 5. Requirements for the size and design of common recreational areas, amenity
9 areas, community rooms, or similar indoor amenities;
- 10 6. Requirements for outdoor open space and amenity areas;
- 11 7. Requirements related to residential uses, transparency, blank facades, and floor-
12 to-floor height at street level; and
- 13 8. Other similar physical development standards as determined by the Director
14 that do not (~~(affect)~~) increase the size of the building envelope.

15 B. Waiver or modification decision. Requests for waivers or modifications shall be
16 evaluated by the Director, in consultation with the Office of Housing and may be granted by the
17 Director as a Type I decision if the waiver or modification would (~~(not impact the overall height,~~
18 ~~bulk, and scale of the proposed building and would result in additional permanent supportive~~
19 ~~housing units)) facilitate development of low-income housing.~~

20 C. Community engagement and relations. (~~The~~) For permanent supportive housing, the
21 applicant shall submit a draft community relations plan in a form acceptable to the Director and
22 the Director of (~~the Office of~~) Housing. The draft community relations plan shall describe the
23 overall community engagement and communication strategy throughout the project's pre-

1 development, design, construction, and operation phases. In addition to compliance with the draft
2 community relations plan, the applicant must hold at least one community meeting in-person, or
3 virtually in the event of an emergency that makes in-person meetings impracticable as declared
4 by the Mayor. Virtual meetings may be offered to supplement in-person meetings. This meeting
5 shall be exclusively about the project and the applicant must send notice of the meeting to
6 neighbors at least within 500 feet of the site.

7 D. Applicability. Low-income housing that vests according to Section 23.76.026 prior to
8 the effective date of this ordinance may also request waivers and modifications as authorized by
9 this Section 23.42.057 and the provisions of the zone.

10 Section 7. Section 23.42.070 of the Seattle Municipal Code, enacted by Ordinance
11 125558, is amended as follows:

12 **23.42.070 Parking for rented or leased multifamily dwelling units and commercial uses**

13 A. Parking for multifamily dwelling units

14 1. Off-street parking accessory to rented or leased multifamily dwelling units shall
15 not be included in any dwelling unit rental agreement and shall be subject to a rental agreement
16 addendum or in a separate rental agreement.

17 2. ~~((Multifamily residential uses with rent and income criteria as described in Part~~
18 ~~III of Table B for 23.54.015 shall be)) Moderate-income units are exempt from the requirement
19 of subsection 23.42.070.A.1.~~

20 3. Multifamily dwelling units with individual garages that are functionally a part
21 of the dwelling unit, including but not limited to townhouses and rowhouses, shall be exempt
22 from the requirement of subsection 23.42.070.A.1.

23 * * *

1 Section 8. The title of Section 23.44.019 of the Seattle Municipal Code, which section
2 was last amended by Ordinance 126509, is amended as follows:

3 **23.44.019 Alternative ((development)) standards for ((low-income housing)) development of**
4 **affordable units on property owned or controlled by a religious organization**

5 Section 9. Section 23.44.024 of the Seattle Municipal Code, last amended by Ordinance
6 126509, is amended as follows:

7 **23.44.024 Clustered housing planning developments**

8 Clustered housing planned developments (CHPDs) may be permitted as an administrative
9 conditional use in NR1, NR2, and NR3 zones. A CHPD is intended to enhance and preserve
10 natural features, encourage the construction of ((affordable)) low-income housing, allow for
11 development and design flexibility, and protect and prevent harm in environmentally critical
12 areas. CHPDs shall be subject to the following provisions:

13 * * *

14 Section 10. Section 23.44.034 of the Seattle Municipal Code, last amended by Ordinance
15 126509, is amended as follows:

16 **23.44.034 Planned residential development (PRD)**

17 Planned residential developments (PRDs) may be permitted in NR1, NR2, and NR3 zones as a
18 council conditional use. A PRD is intended to enhance and preserve natural features, encourage
19 the construction of ((affordable)) low-income housing, allow for development and design
20 flexibility, promote green stormwater infrastructure and protect and prevent harm in
21 environmentally critical areas. PRDs shall be subject to the following provisions:

22 * * *

1 Section 11. Section 23.44.041 of the Seattle Municipal Code, last amended by Ordinance
2 126685, is amended as follows:

3 **23.44.041 Accessory dwelling units**

4 A. General provisions. The Director may authorize an accessory dwelling unit, and that
5 dwelling unit may be used as a residence, only under the following conditions:

6 1. ~~((Number of accessory dwelling units allowed on a lot~~

7 a.) In an NR1, NR2, and NR3 zone, a lot with or proposed for a principal
8 single-family dwelling unit may have up to two accessory dwelling units, provided that the
9 following conditions are met:

10 ~~((1) Only))~~ a. No more than one accessory dwelling unit ~~((may be))~~ is a
11 detached accessory dwelling unit; and

12 ~~((2))~~ b. A second accessory dwelling unit is allowed only if:

13 ~~((a) The second accessory dwelling unit is added by converting~~
14 ~~floor))~~ 1) Floor area within an existing structure is converted to create the second accessory
15 dwelling unit; or

16 ~~((b) For a new structure, the applicant makes a commitment that~~

17 ~~the))~~ 2) The applicant commits that an attached accessory dwelling unit in a new principal

18 structure ~~((containing an attached accessory dwelling unit or the new accessory structure~~
19 ~~containing a))~~ or a new detached accessory dwelling unit will meet a green building standard and

20 shall demonstrate compliance with that commitment, all in accordance with Chapter 23.58D; or

21 ~~((e) the))~~ 3) The second accessory dwelling unit is a ~~((rental unit~~

22 affordable to and reserved solely for "income-eligible households," as defined in Section

23 23.58A.004, and is subject to an agreement specifying the affordable housing requirements under

1 ~~this subsection approved by the Director of Housing to ensure that the housing shall serve only~~
2 ~~income eligible households for a minimum period of 50 years. The monthly rent, including basic~~
3 ~~utilities, shall not exceed 30 percent of the income limit for the unit, all as determined by the~~
4 ~~Director of Housing, and the housing owner shall submit a report to the Office of Housing~~
5 ~~annually that documents how the affordable housing meets the terms of the recorded agreement.~~

6 ~~Prior to issuance, and as a condition to issuance, of the first building~~
7 ~~permit for a project, the applicant shall execute and record a declaration in a form acceptable to~~
8 ~~the Director that shall commit the applicant to satisfy the conditions to establishing a second~~
9 ~~accessory dwelling unit as approved by the Director)) low-income unit.~~

10 ((b.)) 2. In an RSL zone, each principal dwelling unit may have no more than one
11 accessory dwelling unit.

12 ((2.)) 3. In the Shoreline District, accessory dwelling units shall be as provided in
13 Chapter 23.60A; where allowed in the Shoreline District, they are also subject to the provisions
14 in this Section 23.44.041.

15 ((3.)) 4. In NR1, NR2, and NR3 zones, accessory dwelling units are subject to the
16 tree requirements in subsection 23.44.020.A.2.

17 ((4.)) 5. No off-street parking is required for accessory dwelling units.

18 6. An existing required parking space may not be eliminated to accommodate an
19 accessory dwelling unit unless it is replaced elsewhere on the lot.

20 * * *

21 Section 12. Section 23.45.510 of the Seattle Municipal Code, last amended by Ordinance
22 126287, is amended as follows:

23 **23.45.510 Floor area**

* * *

D. The following floor area is exempt from FAR limits:

1. All stories, or portions of stories, that are underground.

2. The floor area (~~(contained)~~) in a Landmark structure subject to controls and incentives imposed by a designating ordinance, if the owner of the Landmark has executed and recorded an agreement acceptable in form and content to the Landmarks Preservation Board, providing for the restoration and maintenance of the historically significant features of the structure, except that this exemption does not apply to a lot from which a transfer of development potential (TDP) has been made under Chapter 23.58A, and does not apply for purposes of determining TDP available for transfer under Chapter 23.58A.

3. The floor area (~~(contained)~~) in structures built prior to January 1, 1982, as single-family dwelling units that will remain in residential use, regardless of the number of dwelling units within the existing structure, provided that:

a. No other principal structure is located between the existing residential structure and the street lot line along at least one street frontage. If the existing residential structure is moved on the lot, the floor area of the existing residential structure remains exempt if it continues to meet this provision; and

b. The exemption is limited to the gross floor area in the existing residential structure as of January 1, 1982.

4. Portions of a story that extend no more than 4 feet above existing or finished grade, whichever is lower, excluding access, (see Exhibit A for 23.45.510), in the following circumstances:

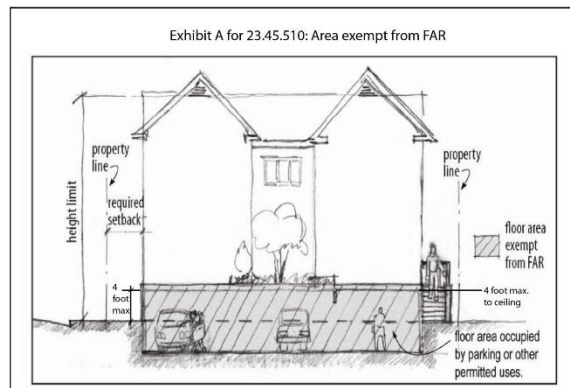
a. Apartments in LR zones;

1 b. Rowhouse and townhouse developments in LR zones, provided that all
2 parking is located at the rear of the structure or is enclosed in structures with garage entrances
3 located on the rear facade; and

4 c. All multifamily structures in MR and HR zones.

5 **Exhibit A for 23.45.510**

6 **Area exempt from FAR**



9 5. For rowhouse and townhouse developments and apartments, floor area within a
10 story, or portion of a story, that is partially above grade if all of the following conditions are met:

11 a. The story, or portion of the story, that is partially above grade is used
12 for parking or other accessory uses and has no additional stories above;

13 b. The average height of the exterior walls enclosing the floor area does
14 not exceed one story, measured from existing or finished grade, whichever is lower;

15 c. The roof area above the exempt floor area is predominantly flat, is used
16 as amenity area, and meets the standards for amenity area at ground level in Section 23.45.522;

17 and

18 d. At least 25 percent of the perimeter of the amenity area on the roof
19 above the floor area is not enclosed by the walls of the structure.

6. Enclosed common amenity area in HR zones.

1 7. As an allowance for mechanical equipment, in any structure more than 85 feet
2 in height, 3.5 percent of the gross floor area that is not otherwise exempt under this subsection
3 23.45.510.D.

4 8. In HR zones, ground floor commercial uses meeting the requirements of
5 Section 23.45.532, if the street level of the structure containing the commercial uses has a
6 minimum floor-to-floor height of 13 feet and a minimum depth of 15 feet.

7 9. The floor area of required bicycle parking for small efficiency dwelling units or
8 congregate residence sleeping rooms, if the bicycle parking is located within the structure
9 containing the small efficiency dwelling units or congregate residence sleeping rooms. Floor area
10 of bicycle parking that is provided beyond the required bicycle parking is not exempt from FAR
11 limits.

12 10. Common walls separating individual rowhouse and townhouse dwelling units.

13 11. In the Northgate Urban Center, up to 15,000 square feet of floor area in
14 residential use in a structure built prior to 1990 that is located on a split-zoned lot of at least
15 40,000 square feet in size.

16 12. In MR and HR zones, all gross floor area in child care centers.

17 13. In (~~permanent supportive~~) low-income housing, all gross floor area for
18 accessory human service uses.

19 * * *

20 Section 13. Section 23.45.512 of the Seattle Municipal Code, last amended by Ordinance
21 126682, is amended as follows:

22 **23.45.512 Density limits and family-size unit requirements—LR zones**

23 A. Density limits

1 1. Except according to subsection 23.45.512.A.4, the following developments
2 must meet the density limits described in this subsection 23.45.512.A:

3 a. In LR1 zones, rowhouse development on interior lots and all townhouse
4 development; and

5 b. All development in Lowrise zones that do not have a mandatory
6 housing affordability suffix.

7 2. Development described in subsection 23.45.512.A.1 shall not exceed a density
8 of one dwelling unit per 1,150 square feet of lot area, except that apartments in LR3 zones that
9 do not have a mandatory housing affordability suffix shall not exceed a density limit of one
10 dwelling unit per 800 square feet.

11 3. When density calculations result in a fraction of a unit, any fraction up to and
12 including 0.85 constitutes zero additional units, and any fraction over 0.85 constitutes one
13 additional unit.

14 4. ~~((Density exception for certain types of low-income multifamily residential
15 uses~~

16 a. ~~The exception in this subsection 23.45.512.A.4 applies to low-income
17 residential uses operated by a public agency or a private nonprofit corporation.~~

18 b. ~~The uses listed in subsection 23.45.512.A.4.a)) Low-income housing~~
19 shall have a maximum density of one dwelling unit per 400 square feet of lot area ~~((if a majority
20 of the dwelling units are designed for and dedicated to tenancies of at least three months, and the
21 dwelling units remain in low-income residential uses for the life of the structure)).~~

22 * * *

1 Section 14. Section 23.45.516 of the Seattle Municipal Code, last amended by Ordinance
2 125791, is amended as follows:

3 **23.45.516 Method to achieve extra residential floor area in HR zones**

4 * * *

5 B. In HR zones, extra residential floor area above the base FAR may be gained in
6 accordance with Chapter 23.58A subject to the conditions and limits in this Section 23.45.516.

7 1. Up to all extra residential floor area may be gained through the affordable
8 housing incentive (~~(program)~~) provisions in Section 23.58A.014.

9 2. Up to 40 percent of extra residential floor area may be gained by one or any
10 combination of:

11 a. Transfer of development potential;

12 b. Providing neighborhood open space; and/or

13 c. Providing a neighborhood green street setback if allowed pursuant to
14 subsection 23.45.516.F, all in accordance with this Section 23.45.516 and Chapter 23.58A.

15 * * *

16 Section 15. The title of Section 23.45.550 of the Seattle Municipal Code, which section
17 was last amended by Ordinance 126509, is amended as follows:

18 **23.45.550 Alternative (~~(development)~~) standards for (~~(low-income housing)~~) development of**
19 **affordable units on property owned or controlled by a religious organization**

20 * * *

21 Section 16. Table A for Section 23.47A.004 of the Seattle Municipal Code, which section
22 was last amended by Ordinance 126626, is amended as follows:

23 **23.47A.004 Permitted and prohibited uses**

1

* * *

Table A for 23.47A.004 Uses in Commercial zones					
Uses	Permitted and prohibited uses by zone ¹				
	NC1	NC2	NC3	C1	C2
* * *					
J. RESIDENTIAL USES¹⁴					
J.1. Residential uses not listed below	P	P	P	P	CU ¹⁵
J.2. Caretaker's quarters	P	P	P	P	P
J.3. Congregate residence	X/P ¹⁶	X/P ¹⁶	P/X ¹⁷	P/X ¹⁷	P/X ¹⁷
J.4. ((Permanent supportive)) <u>Low-income housing</u>	P	P	P	P	P
* * *					
KEY					
A = Permitted as an accessory use only					
CU = Administrative Conditional Use (business establishment limited to the multiple of 1,000 square feet of any number following a hyphen, pursuant to Section 23.47A.010)					
CCU = Council Conditional Use (business establishment limited to the multiple of 1,000 square feet of any number following a hyphen, pursuant to Section 23.47A.010)					
P = Permitted					
S = Permitted in shoreline areas only					
X = Prohibited					
CU-25 = Conditionally permitted; use is limited to 25,000 square feet, pursuant to Section 23.47A.010					
10 = Permitted, business establishments limited to 10,000 square feet, pursuant to Section 23.47A.010					
20 = Permitted, business establishments limited to 20,000 square feet, pursuant to Section 23.47A.010					
25 = Permitted, business establishments limited to 25,000 square feet, pursuant to Section 23.47A.010					
35 = Permitted, business establishments limited to 35,000 square feet, pursuant to Section 23.47A.010					
40 = Permitted, business establishments limited to 40,000 square feet, pursuant to Section 23.47A.010					
50 = Permitted, business establishments limited to 50,000 square feet, pursuant to Section 23.47A.010					
Footnotes to Table A for 23.47A.004					
¹ In pedestrian-designated zones, a portion of the street-level street-facing facade of a structure along a designated principal pedestrian street may be limited to certain uses as provided in subsection 23.47A.005.D. In pedestrian-designated zones, drive-in lanes are					

prohibited (Section 23.47A.028).

² In addition to the provisions in this Chapter 23.47A, uses that entail major marijuana activity are subject to the requirements of Section 23.42.058.

³ For commercial uses with drive-in lanes, see Section 23.47A.028.

⁴ Subject to subsection 23.47A.004.H.

⁵ Permitted at Seattle Center.

⁶ Bed and breakfasts in existing structures are permitted outright with no maximum size limit.

⁷ Medical services over 10,000 square feet within 2,500 feet of a medical Major Institution Overlay boundary require conditional use approval, unless they are included in a Major Institution Master Plan or dedicated to veterinary services.

⁸ Medical service uses that are located in an urban center or urban village, which are in operation at such location before August 1, 2015, and that routinely provide medical services on a reduced fee basis to individuals or families having incomes at or below 200 percent of the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 USC 9902(2), are limited to 20,000 square feet. This provision does not apply to medical service uses that are subject to a Major Institution Master Plan.

⁹ Office uses in C1 and C2 zones are permitted up to the greater of 1 FAR or 35,000 square feet as provided in subsection 23.47A.010.D. Office uses in C1 and C2 zones are permitted outright with no maximum size limit if they meet the standards identified in subsection 23.47A.010.D.

¹⁰ Gas stations and other businesses with drive-in lanes are not permitted in pedestrian-designated zones (Section 23.47A.028). Elsewhere in NC zones, establishing a gas station may require a demonstration regarding impacts under Section 23.47A.028.

¹¹ Grocery stores meeting the conditions of subsection 23.47A.010.E are permitted up to 23,000 square feet in size.

¹² Subject to subsection 23.47A.004.G.

¹³ Permitted pursuant to subsection 23.47A.004.D.7.

¹⁴ Residential uses may be limited to 20 percent of a street-level street-facing facade pursuant to subsection 23.47A.005.C.

¹⁵ Residential uses are conditional uses in C2 zones under subsection 23.47A.006.A.3, except as otherwise provided above in Table A for 23.47A.004 or in subsection 23.47A.006.A.3.

¹⁶ Congregate Residences that are owned by a college or university, or are affiliated with an educational major institution that is part of the Washington State Community and Technical Colleges system, or are a sorority or fraternity, or are owned by a not-for-profit entity or charity, or are licensed by the State and provide supportive services are permitted outright. All others are prohibited. Supportive services include meal service, cleaning service, health services, or similar.

¹⁷ Congregate Residences that are owned by a college or university, or are affiliated with an educational major institution that is part of the Washington State Community and Technical Colleges system, or are a sorority or fraternity, or are owned by a not-for-profit entity or charity, or are licensed by the State and provide supportive services are permitted outright. All others are permitted only in locations within urban villages and urban centers. Supportive services include meal service, cleaning service, health services, or similar.

¹⁸ Permitted at Seattle Center; see Section 23.47A.011.

¹⁹ Flexible-use parking is subject to Section 23.54.026. In pedestrian-designated zones, surface parking is prohibited adjacent to principal pedestrian streets pursuant to subsection 23.47A.032.B.2.

²⁰ Permitted as surface parking only on surface parking lots existing as of January 1, 2017. In pedestrian-designated zones, surface parking is prohibited adjacent to principal pedestrian streets pursuant to subsection 23.47A.032.B.2.

²¹ Permitted outright, except prohibited in the SAOD.

²² See Chapter 23.57, Communications regulations, for regulation of communication utilities.

²³ A recycling use that is located on the same development site as a solid waste transfer station may be permitted by administrative conditional use, subject to the requirements of subsection 23.47A.006.A.7.

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Section 17. Section 23.47A.005 of the Seattle Municipal Code, last amended by Ordinance 126287, is amended as follows:

23.47A.005 Street-level uses

* * *

C. Residential uses at street level

1. In all NC and C zones, residential uses may occupy, in the aggregate, no more than 20 percent of the street-level street-facing facade in the following circumstances or locations:

a. In a pedestrian-designated zone, facing a designated principal pedestrian street; or

b. In all NC and C1 zones within the Bitter Lake Village Hub Urban Village, except lots abutting Linden Avenue North, north of North 135th Street; or

c. Within a zone that has a height limit of 85 feet or higher, except as provided in subsection 23.47A.005.C.2; or

d. Within an NC1 zone, except as provided in subsection 23.47A.005.C.2;
or

1 e. In all NC and C1 zones within the Northgate Overlay District, except as
2 provided in Section 23.71.044; or

3 f. In all NC and C1 zones within the areas shown on Maps A through D
4 for 23.47A.005 at the end of this Chapter 23.47A when facing an arterial street.

5 2. Subsection 23.47A.005.C.1 notwithstanding, there is no restriction on the
6 location of residential uses in the following circumstances:

7 a. ~~((Within a very low income housing project existing as of May 1, 2006,~~
8 ~~or within a very low income housing project replacing a very low income housing project~~
9 ~~existing as of May 1, 2006, on the same site)) The development is low-income housing; or~~

10 b. The residential use is an assisted living facility or nursing home and
11 private living units are not located at street level; or

12 c. Within the Pike/Pine Conservation Overlay District, for street-facing
13 facades that do not face a designated principal pedestrian street, as shown on Map A for
14 23.73.008; or

15 d. In a structure existing on January 1, 2012, that is within an NC1 zone
16 but not located in an area defined in Maps A through D for 23.47A.005, at the end of this
17 Chapter 23.47A, a live-work space may be converted to an accessory dwelling unit if the
18 residential use is established, if the area proposed to be converted meets the minimum housing
19 standards of Chapter 22.206, ~~((, and if the area proposed to be converted meets the owner~~
20 ~~occupancy requirement of subsection 23.44.041.C;~~

21 e. ~~Within a structure that:~~

22 ~~1) Is developed and owned by the Seattle Housing Authority; and~~

1 ~~2) Is located on a lot zoned NC1 or NC3 that was owned by the~~
2 ~~Seattle Housing Authority as of January 1, 2009; or~~

3 ~~f. Within a structure containing permanent supportive housing.))~~

4 3. Additions to, or on-site accessory structures for, existing single-family
5 structures are permitted outright.

6 4. Where residential uses at street level are limited to 20 percent of the street-
7 level, street-facing facade, such limits do not apply to residential structures separated from the
8 street lot line by an existing structure meeting the standards of this Section 23.47A.005 and
9 Section 23.47A.008, or by an existing structure legally nonconforming to those standards.

10 D. In pedestrian-designated zones the locations of uses are regulated as follows:

11 1. Along designated principal pedestrian streets, one or more of the following uses
12 are required along 80 percent of the street-level, street-facing facade in accordance with the
13 standards provided in subsection 23.47A.008.C.

14 a. Arts facilities;

15 b. Community gardens;

16 c. Eating and drinking establishments;

17 d. Entertainment uses, except for adult cabarets, adult motion picture
18 theaters, and adult panoramas;

19 e. Food processing and craft work;

20 f. Institutions, except hospitals or major institutions;

21 g. Lodging uses;

22 h. Medical services;

1 i. Offices, provided that no more than 30 feet of the street-level, street-
2 facing facade of a structure may contain an office use;

3 j. Parks and open spaces;

4 k. Rail transit facilities;

5 l. Retail sales and services, automotive, in the Pike/Pine Conservation
6 Overlay District if located within an existing structure or within a structure that retains a
7 character structure as provided in Section 23.73.015;

8 m. Sales and services, general, provided that no more than 40 feet of the
9 street-level, street-facing facade of a structure on a principal pedestrian street may contain a
10 customer services office;

11 n. Sales and services, heavy, except for heavy commercial sales, and
12 provided that no more than 30 feet of the street-level, street-facing facade of a structure may
13 contain a non-household sales and service use; and

14 o. ~~((Permanent supportive))~~ Low-income housing.

15 The establishment of any such use is subject to the applicable use provisions of
16 this Title 23.

17 2. The following streets are principal pedestrian streets when located within a
18 pedestrian-designated zone:

19 10th Avenue;

20 11th Avenue;

21 12th Avenue;

22 13th Avenue, between East Madison Street and East Pine Street;

- 1 14th Avenue South, except within the North Beacon Hill Residential
- 2 Urban Village;
- 3 15th Avenue East;
- 4 15th Avenue Northeast, north of Lake City Way Northeast;
- 5 15th Avenue Northwest;
- 6 15th Avenue South;
- 7 17th Avenue Northwest;
- 8 20th Avenue Northwest;
- 9 22nd Avenue Northwest;
- 10 23rd Avenue;
- 11 24th Avenue Northwest;
- 12 25th Avenue Northeast;
- 13 32nd Avenue West;
- 14 35th Avenue Northeast, except within the Lake City Hub Urban Village;
- 15 35th Avenue Southwest, except within the West Seattle Junction Hub
- 16 Urban Village;
- 17 39th Avenue Northeast;
- 18 Aurora Ave North, except within the Bitter Lake Village Hub Urban
- 19 Village;
- 20 Ballard Avenue Northwest;
- 21 Beacon Avenue South;
- 22 Boren Avenue;

- 1 Boylston Avenue, except within the Pike/Pine Conservation Overlay
- 2 District;
- 3 Broadway;
- 4 Broadway East;
- 5 California Avenue Southwest;
- 6 Delridge Way Southwest;
- 7 Dexter Avenue North;
- 8 East Green Lake Drive North;
- 9 East Green Lake Way North;
- 10 East Madison Street;
- 11 East Olive Way;
- 12 East Pike Street;
- 13 East Pine Street;
- 14 East Union Street, except within the Pike/Pine Conservation Overlay
- 15 District only lots abutting East Union Street between Broadway and East Madison Street;
- 16 Eastlake Avenue East;
- 17 First Avenue North, except within the Upper Queen Anne Residential
- 18 Urban Village;
- 19 Fremont Avenue North;
- 20 Fremont Place North;
- 21 Galer Street;
- 22 Green Lake Drive North;
- 23 Greenwood Avenue North;

- 1 Lake City Way Northeast;
- 2 Leary Avenue Northwest;
- 3 Linden Avenue North;
- 4 Madison Street;
- 5 Martin Luther King Jr. Way South;
- 6 Mary Avenue Northwest, between Holman Road Northwest and
- 7 Northwest 87th Street;
- 8 Mercer Street;
- 9 North 34th Street;
- 10 North 35th Street;
- 11 North 45th Street;
- 12 North 85th Street;
- 13 Northeast 43rd Street;
- 14 Northeast 45th Street, except between Linden Ave North and Evanston
- 15 Ave North;
- 16 Northeast 55th Street, east of 15th Avenue Northeast;
- 17 Northeast 65th Street;
- 18 Northeast 125th Street;
- 19 Northwest 65th Street;
- 20 Northwest 85th Street;
- 21 Northwest 90th Street, between Mary Avenue Northwest and 14th Avenue
- 22 Northwest;
- 23 Northwest Market Street;

- 1 Phinney Avenue North, between North 58th Street and North 63rd Street;
- 2 Pike Street;
- 3 Pine Street;
- 4 Queen Anne Avenue North;
- 5 Rainier Avenue South;
- 6 Roosevelt Way Northeast;
- 7 Roy Street;
- 8 Sand Point Way Northeast;
- 9 South Alaska Street;
- 10 South Cloverdale Street;
- 11 South Henderson Street;
- 12 South Jackson Street;
- 13 South Lander Street;
- 14 South McClellan Street;
- 15 South Othello Street;
- 16 Southwest Alaska Street;
- 17 Stone Way North;
- 18 Summit Avenue, except within the Pike/Pine Conservation Overlay
- 19 District;
- 20 Terry Avenue;
- 21 University Way Northeast;
- 22 Wallingford Avenue North;
- 23 West Dravus Street;

1 West Galer Street;
2 West Green Lake Drive North;
3 West McGraw Street, except within the Upper Queen Anne Residential
4 Urban Village; and
5 Woodlawn Avenue Northeast.

6 Section 18. Section 23.47A.013 of the Seattle Municipal Code, last amended by
7 Ordinance 126600, is amended as follows:

8 **23.47A.013 Floor area ratio**

9 * * *

10 B. The following gross floor area is not counted toward FAR:

- 11 1. All stories, or portions of stories, that are underground;
- 12 2. All portions of a story that extend no more than 4 feet above existing or
13 finished grade, whichever is lower, excluding access;
- 14 3. Gross floor area of a transit station, including all floor area open to the general
15 public during normal hours of station operation but excluding retail or service establishments to
16 which public access is limited to customers or clients, even where such establishments are
17 primarily intended to serve transit riders;
- 18 4. On a lot containing a peat settlement-prone environmentally critical area,
19 above-grade parking within or covered by a structure or portion of a structure, if the Director
20 finds that locating a story of parking below grade is infeasible due to physical site conditions
21 such as a high water table, if either:
 - 22 a. The above-grade parking extends no more than 6 feet above existing or
23 finished grade and no more than 3 feet above the highest existing or finished grade along the

1 structure footprint, whichever is lower, as measured to the finished floor level or roof above,
2 pursuant to subsection 23.47A.012.A.3; or

3 b. All of the following conditions are met:

4 1) No above-grade parking is exempted by subsection
5 23.47A.013.B.4.a;

6 2) The parking is accessory to a residential use on the lot;

7 3) Total parking on the lot does not exceed one space for each
8 residential dwelling unit plus the number of spaces required for non-residential uses; and

9 4) The amount of gross floor area exempted by this subsection
10 23.47A.013.B.4.b does not exceed 25 percent of the area of the lot in zones with a height limit
11 less than 65 feet, or 50 percent of the area of the lot in zones with a height limit 65 feet or
12 greater; and

13 5. Rooftop greenhouse areas meeting the standards of subsections
14 23.47A.012.C.4, 23.47A.012.C.5, and 23.47A.012.C.6;

15 6. Bicycle commuter shower facilities required by subsection 23.54.015.K.8;

16 7. The floor area of required bicycle parking for small efficiency dwelling units or
17 congregate residence sleeping rooms, if the bicycle parking is located within the structure
18 containing the small efficiency dwelling units or congregate residence sleeping rooms. Floor area
19 of bicycle parking that is provided beyond the required bicycle parking is not exempt from FAR
20 limits;

21 8. All gross floor area in child care centers; and

22 9. In ~~((permanent supportive))~~ low-income housing, all gross floor area for
23 accessory human service uses.

* * *

Section 19. The title of Section 23.47A.040 of the Seattle Municipal Code, which section was last amended by Ordinance 126509, is amended as follows:

23.47A.040 Alternative ((development)) standards for ((low-income housing)) development of affordable units on property owned or controlled by a religious organization

Section 20. Section 23.48.005 of the Seattle Municipal Code, last amended by Ordinance 126287, is amended as follows:

23.48.005 Uses

* * *

D. Required street-level uses

1. One or more of the following uses listed in this subsection 23.48.005.D.1 are required: (i) at street-level of the street-facing facade along streets designated as Class 1 Pedestrian Streets shown on Map A for 23.48.240, except as required in subsection 23.48.205.C; (ii) at street-level of the street-facing facades along streets designated on Map A for 23.48.640; and (iii) at street-level of the street-facing facades along streets designated as Class 1 or Class 2 streets shown on Map A for 23.48.740:

- a. General sales and service uses;
- b. Eating and drinking establishments;
- c. Entertainment uses;
- d. Public libraries;
- e. Public parks;
- f. Arts facilities;
- g. Religious facilities;

- 1 h. Light rail transit stations;
- 2 i. Child care centers; and
- 3 j. (~~Permanent supportive~~) Low-income housing.

4 2. Standards for required street-level uses. Required street-level uses shall meet
5 the development standards in subsection 23.48.040.C, and any additional standards for Seattle
6 Mixed zones in specific geographic areas in the applicable subchapter of this Chapter 23.48.

7 * * *

8 Section 21. Section 23.48.020 of the Seattle Municipal Code, last amended by Ordinance
9 126287, is amended as follows:

10 **23.48.020 Floor area ratio (FAR)**

11 * * *

12 B. Floor area exempt from FAR calculations. The following floor area is exempt from
13 maximum FAR calculations:

- 14 1. All underground stories or portions of stories.
- 15 2. Portions of a story that extend no more than 4 feet above existing or finished
16 grade, whichever is lower, excluding access.
- 17 3. As an allowance for mechanical equipment, in any structure 65 feet in height or
18 more, 3.5 percent of the total chargeable gross floor area in a structure is exempt from FAR
19 calculations. Calculation of the allowance includes the remaining gross floor area after all
20 exempt space allowed in this subsection 23.48.020.B has been deducted. Mechanical equipment
21 located on the roof of a structure, whether enclosed or not, is not included as part of the
22 calculation of total gross floor area.
- 23 4. All gross floor area for solar collectors and wind-driven power generators.

5. Bicycle commuter shower facilities required by subsection 23.54.015.K.8.

6. The floor area of required bicycle parking for small efficiency dwelling units or congregate residence sleeping rooms, if the bicycle parking is located within the structure containing the small efficiency dwelling units or congregate residence sleeping rooms. Floor area of bicycle parking that is provided beyond the required bicycle parking is not exempt from FAR limits.

7. Child care centers.

8. In ~~((permanent supportive))~~ low-income housing, all gross floor area for accessory human service uses.

* * *

Section 22. The title of Section 23.48.100 of the Seattle Municipal Code, which section was enacted by Ordinance 126384, is amended as follows:

23.48.100 Alternative ~~((development))~~ standards for ~~((low-income housing))~~ development of affordable units on property owned or controlled by a religious organization

Section 23. Section 23.48.232 of the Seattle Municipal Code, last amended by Ordinance 125291, is amended as follows:

23.48.232 Lot area limits in SM-SLU/R 65/95

* * *

F. Non-residential use exception. A non-residential structure may be permitted where a residential or mixed-use structure would otherwise be required, subject to the following:

1. The ~~((proposal))~~ project is comprised of two or more lots within a SM-SLU/R 65/95 zone; and

1 2. The amount of gross floor area in residential use in the structures on both lots is
2 equal to at least 60 percent of the total gross floor area of the total combined development on the
3 lots included in the ~~((proposal))~~ project; and

4 3. The non-residential structure is subject to design review to ensure compatibility
5 with the residential character of the surrounding area; and

6 4. The ~~((proposal))~~ project meets one or more of the following:

7 a. The project includes the rehabilitation of a Landmark structure or
8 incorporates structures or elements of structures of architectural or historical significance as
9 identified in the Seattle Comprehensive Plan or design guidelines; or

10 b. The project includes general sales and service uses, eating and drinking
11 establishments, major durables retail sales uses, entertainment uses, human service uses, or child
12 care centers at the street level in an amount equal to 50 percent of the structure's footprint; or

13 c. On the lot(s) accommodating the required amount of gross floor area in
14 residential use, as specified in subsection 23.48.232.F.2, a minimum of ten percent of all new
15 ~~((housing))~~ units in the ~~((proposal))~~ project are either provided as ~~((affordable housing as defined~~
16 ~~in Chapter 23.58A, and shall be maintained as affordable housing for a period of at least 20~~
17 ~~years, or a minimum of ten percent of all new housing units in the proposal are provided as))~~
18 moderate-income units or townhouses.

19 Section 24. Section 23.48.605 of the Seattle Municipal Code, last amended by Ordinance
20 126287, is amended as follows:

21 **23.48.605 Uses in SM-U zones**

22 C. Required street-level uses

1 1. One or more of the following uses listed in this subsection 23.48.605.C.1 are
2 required at street level along the street-facing facades abutting streets shown on Map A for
3 23.48.605:

- 4 a. General sales and service uses;
- 5 b. Eating and drinking establishments;
- 6 c. Entertainment uses;
- 7 d. Public libraries;
- 8 e. Public parks;
- 9 f. Arts facilities;
- 10 g. Religious facilities;
- 11 h. Human services uses;
- 12 i. Child care centers;
- 13 j. Light rail transit stations; and
- 14 k. ~~((Permanent supportive))~~ Low-income housing.

15 2. Standards for required street-level uses. Required street-level uses shall meet
16 the development standards in subsection 23.48.040.C.

1
2

Map A for 23.48.605

Locations of street-level use requirements



3
4
5

Section 25. Section 23.48.920 of the Seattle Municipal Code, enacted by Ordinance 125791, is amended as follows:

1 **23.48.920 Floor area ratio in SM-RB zones**

2 * * *

3 B. The FAR limit listed in Table A for 23.48.920 shall be increased by an amount of floor
4 area equal to twice the amount of floor area occupied by the following uses, up to a maximum
5 increase in FAR of 1.0 in SM-RB 55 and SM-RB 85 zones and 2.0 in SM-RB 125 zones:

- 6 1. Light manufacturing;
- 7 2. College;
- 8 3. School, vocational, or fine arts;
- 9 4. Food processing and craft work;
- 10 5. Child care center; or

11 6. ~~((Residential development that receives public funding and/or an allocation of
12 federal low-income housing tax credits, and is subject to a regulatory agreement, covenant, or
13 other legal instrument recorded on the property title and enforceable by The City of Seattle,
14 Washington State Housing Finance Commission, State of Washington, King County, U.S.
15 Department of Housing and Urban Development, or other similar entity as approved by the
16 Director of Housing, that restricts at least 40 percent of the units to occupancy by households
17 earning no greater than 60 percent of median income, and controls the rents that may be charged,
18 for a minimum period of 40 years)) Low-income housing.~~

19 Section 26. The title of Section 23.49.007 of the Seattle Municipal Code, which section
20 was last amended by Ordinance 125371, is amended as follows:

21 **23.49.007 Mandatory housing affordability (MHA) in Downtown zones**

22 Section 27. Section 23.49.008 of the Seattle Municipal Code, last amended by Ordinance
23 126600, is amended as follows:

1 **23.49.008 Structure height**

2 The following provisions regulating structure height apply to all property in Downtown zones
3 except the DH1 zone. Structure height for PSM, IDM, and IDR zones is regulated by this Section
4 23.49.008, and by Sections 23.49.178, 23.49.208, and 23.49.236.

5 A. Base and maximum height limits

6 1. Except as otherwise provided in this Section 23.49.008, maximum structure
7 heights for Downtown zones are as designated on the Official Land Use Map. In certain zones,
8 as specified in this Section 23.49.008, the maximum structure height may be allowed only for
9 particular uses or only on specified conditions, or both. If height limits are specified for portions
10 of a structure that contain specified types of uses, the applicable height limit for the structure is
11 the highest applicable height limit for the types of uses in the structure, unless otherwise
12 specified.

13 2. Except in the PMM zone, the base height limit for a structure is the lowest of
14 the maximum structure height or the lowest other height limit, if any, that applies pursuant to this
15 Title 23 based upon the uses in the structure, before giving effect to any bonus for which the
16 structure qualifies under this Chapter 23.49 and to any special exceptions or departures
17 authorized under this Chapter 23.49. In the PMM zone the base height limit is the maximum
18 height permitted pursuant to urban renewal covenants.

19 3. In zones listed below in this subsection 23.49.008.A.3, the applicable height
20 limit for portions of a structure that contain non-residential and live-work uses is shown as the
21 first figure after the zone designation (except that there is no such limit in DOC1), and the base
22 height limit for portions of a structure in residential use is shown as the first figure following the
23 "/". The third figure shown is the maximum residential height limit. Except as stated in

1 subsection 23.49.008.D, the base residential height limit is the applicable height limit for
2 portions of a structure in residential use if the structure does not ~~((use the bonus available under~~
3 ~~Section 23.49.015))~~ achieve bonus residential floor area according to Chapter 23.58A, and the
4 maximum residential height limit is the height limit for portions of a structure in residential use if
5 the structure ~~((uses the bonus available under Section 23.49.015))~~ achieves bonus residential
6 floor area according to Chapter 23.58A:

7 DOC1 Unlimited/450-unlimited

8 DOC2 500/300-550

9 DMC 340/290-440

10 DMC 240/290-440.

11 4. A structure in a DMC 340/290-440 zone on a lot comprising a full block that
12 abuts a DOC1 zone along at least one street frontage may gain additional structure height of 30
13 percent above the maximum residential height limit if the structure ~~((uses the bonus available~~
14 ~~under Section 23.49.015))~~ achieves bonus residential floor area according to Chapter 23.58A, or
15 35 percent above 340 feet if ~~((that bonus is not used))~~ the structure does not include bonus
16 residential floor area according to Chapter 23.58A, in either case under the following conditions:

17 a. Only one tower is permitted on the lot;

18 b. Any additional floor area above the maximum height limit for non-
19 residential or live-work use, as increased under this subsection 23.49.008.A.4, is occupied by
20 residential use;

21 c. The average residential gross floor area and maximum residential floor
22 area of any story in the portion of the tower permitted above the base residential height limit do
23 not exceed the limits prescribed in subsection 23.49.058.C.1;

1 d. Any residential floor area allowed above the base residential height
2 limit under this provision is ~~((gained through voluntary agreements to provide low-income or
3 moderate-income housing))~~ achieved according to ~~((Section 23.49.015))~~ Chapter 23.58A;

4 e. At least 35 percent of the lot area, or a minimum of 25,000 square feet,
5 whichever is greater, is in open space use substantially at street level meeting the following
6 standards, and subject to the following allowances for coverage:

7 1) The location and configuration of the space shall enhance solar
8 exposure, allow easy access to entrances to the tower serving all tenants and occupants from
9 streets abutting the open space, and allow convenient pedestrian circulation through all portions
10 of the open space. The open space shall be entirely contiguous and physically accessible. To
11 offset the impact of the taller structure allowed, the open space shall have frontage at grade
12 abutting sidewalks, and be visible from sidewalks, on at least two streets. The elevation of the
13 space may vary, especially on sloping lots where terracing the space facilitates connections to
14 abutting streets, provided that grade changes are gradual and do not significantly disrupt the
15 continuity of the space, and no part of the open space is significantly above the grade of the
16 nearest abutting street. The Director may allow greater grade changes, as necessary, to facilitate
17 access to transit tunnel stations.

18 2) Up to 20 percent of the area used to satisfy the open space
19 condition to allowing additional height may be covered by the following features: permanent,
20 freestanding structures, such as retail kiosks, pavilions, or pedestrian shelters; structural
21 overhangs; overhead arcades or other forms of overhead weather protection; and any other
22 features approved by the Director that contribute to pedestrian comfort and active use of the
23 space. The following features within the open space area may count as open space and are not

1 subject to the percentage coverage limit: temporary kiosks and pavilions, public art, permanent
2 seating that is not reserved for any commercial use, exterior stairs and mechanical assists that
3 provide access to public areas and are available for public use, and any similar features approved
4 by the Director.

5 f. Open space used to satisfy the condition to allowing additional height in
6 this Section 23.49.008 is not eligible for a bonus under Section 23.49.013.

7 g. Open space used to satisfy the condition to allowing additional height in
8 this Section 23.49.008 may qualify as common recreation area to the extent permitted by
9 subsection 23.49.011.B and may be used to satisfy open space requirements in subsection
10 23.49.016.C.1 if it satisfies the standards of subsection 23.49.016.C.1.

11 h. No increase in height shall be granted to any proposed development that
12 would result in significant alteration to any designated feature of a Landmark structure, unless a
13 certificate of approval for the alteration is granted by the Landmarks Preservation Board.

14 5. In a DRC zone, the base height limit is 85 feet, except that, subject to the
15 conditions in subsection 23.49.008.A.6:

16 a. The base height limit is 170 feet if any of the following conditions is
17 satisfied:

18 1) All portions of a structure above 85 feet contain only residential
19 use; or

20 2) At least 25 percent of the gross floor area of all structures on a
21 lot is in residential use; or

22 3) A minimum of 1.5 FAR of eating and drinking establishments,
23 retail sales, and service or entertainment uses, or any combination thereof, is provided on the lot.

1 b. For residential floor area created by infill of a light well on a Landmark
2 structure, the base height limit is the lesser of 170 feet or the highest level at which the light well
3 is enclosed by the full length of walls of the structure on at least three sides. For the purpose of
4 this subsection 23.49.008.A.5.b, a light well is defined as an inward modulation on a non-street-
5 facing facade that is enclosed on at least three sides by walls of the same structure, and infill is
6 defined as an addition to that structure within the light well.

7 6. Restrictions on demolition and alteration of existing structures

8 a. Any structure in a DRC zone that would exceed the 85-foot base height
9 limit shall incorporate the existing exterior street-front facade(s) of each of the structures listed
10 below, if any, located on the lot of that project. The City Council finds that these structures are
11 significant to the architecture, history, and character of downtown. The Director may permit
12 changes to the exterior facade(s) to the extent that significant features are preserved and the
13 visual integrity of the design is maintained. The degree of exterior preservation required will
14 vary, depending upon the nature of the project and the characteristics of the affected structure(s).

15 b. The Director shall evaluate whether the manner in which the facade is
16 proposed to be preserved meets the intent to preserve the architecture, character, and history of
17 the Retail Core. If a structure on the lot is a Landmark structure, approval by the Landmarks
18 Preservation Board for any proposed modifications to controlled features is required prior to a
19 decision by the Director to allow or condition additional height for the project. The Landmarks
20 Preservation Board's decision shall be incorporated into the Director's decision. Inclusion of a
21 structure on the list below is solely for the purpose of conditioning additional height under this
22 subsection 23.49.008.A.6.b, and shall not be interpreted in any way to prejudge the structure's
23 merit as a Landmark:

Sixth and Pine Building	523 Pine Street
Decatur	1513 6th Avenue
Coliseum Theater	5th and Pike
Seaboard Building	1506 Westlake Avenue
Fourth and Pike Building	1424 4th Avenue
Pacific First Federal Savings	1400 4th Avenue
Joshua Green Building	1425 4th Avenue
Equitable Building	1415 4th Avenue
Mann Building	1411 3rd Avenue
Olympic Savings Tower	217 Pine Street
Fischer Studio Building	1519 3rd Avenue
Bon Marche (Macy's)	3rd and Pine
Melbourne House	1511 3rd Avenue
Former Woolworth's Building	1512 3rd Avenue

1 c. The restrictions in this subsection 23.49.008.A.6 are in addition to, and
 2 not in substitution for, the requirements of ((the Landmarks Ordinance,)) Chapter 25.12.

3 7. The applicable height limit for a structure is the base height limit plus any
 4 height allowed as a bonus under this Chapter 23.49 according to Chapter 23.58A, and any
 5 additional height allowed by special exception or departure, or by subsection 23.49.008.A.4. The
 6 height of a structure shall not exceed the applicable height limit, except as provided in
 7 subsections 23.49.008.B, 23.49.008.C, and 23.49.008.D.

8 8. The height of rooftop features, as provided in subsection 23.49.008.D, is
 9 allowed to exceed the applicable height limit.

9. On lots in the DMC 85/75-170 zone:

a. A height limit of 85 feet applies to the portions of a structure that contain non-residential or live-work uses.

b. A base height limit of 75 feet applies to the portions of a structure that contain residential uses.

c. The applicable height limit for portions of a structure that contain residential uses is 85 feet if ~~((the applicant qualifies for))~~ extra floor area ~~((on the lot under))~~ is achieved according to Section 23.49.023 and Chapter 23.58A, and the structure has no non-residential or live-work use above 85 feet, and the structure does not qualify for a higher limit for residential uses under subsection 23.49.008.A.9.d.

d. The applicable height limit is 170 feet if ~~((the applicant qualifies for))~~ extra floor area ~~((on the lot under))~~ is achieved according to Section 23.49.023 and Chapter 23.58A(;;), the structure has no non-residential or live-work use above 85 feet(;;), the lot is at least 40,000 square feet in size and includes all or part of a mid-block corridor that satisfies the conditions of Section 23.58A.040, except to the extent ~~((any))~~ the Director grants a waiver of such conditions ~~((is granted by the Director;))~~, and the standards of Section 23.49.060 are satisfied.

* * *

G. In DMC 85/75-170, DMR/C 75/75-95, DMR/C 75/75-170, IDM 85/85-170, IDM 165/85-170, IDR/C 125/150-270, and IDR 45/125-270 districts, and except for projects that receive additional height pursuant to subsection 23.49.008.F, an additional 10 feet in height is permitted above the otherwise applicable maximum height limit for residential uses for a structure that meets the following conditions:

1 1. ~~((For purposes of application of Chapter 23.58C to the portion of the structure~~
2 ~~below the otherwise applicable maximum height limit for residential uses:~~

3 a. ~~At least ten units are provided in the structure to comply with Chapter~~
4 ~~23.58C through the performance option pursuant to the calculation under subsection~~
5 ~~23.58C.050.A;~~

6 b. ~~Notwithstanding any contrary requirements of subsections~~
7 ~~23.58C.050.C.3.a.2 and 23.58C.050.C.6.a, at least ten of the units provided to comply with~~
8 ~~Chapter 23.58C through the performance option shall, for a rental unit with net unit area of~~
9 ~~greater than 400 square feet, (1) at initial occupancy by a household, serve households with~~
10 ~~incomes no greater than 50 percent of median income, and (2) have rent levels such that monthly~~
11 ~~rent shall not exceed 30 percent of 50 percent of median income.)) The structure must comply
12 with Chapter 23.58C performance option requirements. The calculation of performance units
13 required to satisfy the requirements of Section 23.58C.050 shall be based on the total number of
14 units in the portion of the structure that is below the otherwise applicable maximum height limit
15 for residential uses, and must total at least ten units that each have a net unit area greater than
16 400 square feet, as measured according to subsection 23.86.007.B, and affordability and
17 occupancy restrictions no higher than 50 percent of median income.~~

18 2. Units ~~((contained))~~ in the additional 10 ~~((additional))~~ feet of height available
19 under subsection 23.49.008.G shall not be included for purposes of the calculation under
20 subsection 23.58C.050.A and gross floor area ~~((contained))~~ in the additional 10 ~~((additional))~~
21 feet of height available under this subsection 23.49.008.G shall not be included for purposes of
22 the calculation ~~((under subsection 23.58C.040.A))~~ of a cash contribution for a fractional unit not
23 otherwise provided according to subsections 23.58C.050.A.3 or 23.58C.050.A.4, as applicable.

1 The portion of the structure above the maximum height limit for residential use achieved
2 according to this subsection 23.49.008.G shall be excluded for the purpose of distribution
3 requirements for MHA-R units according to subsection 23.58C.050.C.1.

4 * * *

5 I. In Downtown zones, low-income housing may achieve the maximum height according
6 to provisions of the zone without meeting the requirements of this Section 23.49.008.

7 Section 28. Section 23.49.010 of the Seattle Municipal Code, last amended by Ordinance
8 124843, is amended as follows:

9 **23.49.010 General requirements for residential uses**

10 * * *

11 B. Common recreation area. Common recreation area is required for all new development
12 with more than 20 dwelling units. Required common recreation area shall meet the following
13 standards:

14 1. An area equivalent to ~~((5))~~ five percent of the total gross floor area in
15 residential use, excluding any ~~((floor area in residential use gained in a project through a~~
16 ~~voluntary agreement for housing under Section 23.49.015))~~ bonus residential floor area achieved
17 according to Section 23.58A.014, shall be provided as common recreation area. The amount of
18 required common recreation area shall not exceed the area of the lot. The common recreation
19 area shall be available to all residents and may be provided at or above ground level.

20 2. A maximum of 50 percent of the common recreation area may be enclosed.

21 3. The minimum horizontal dimension for required common recreation areas shall
22 be 15 feet, except for open space provided as landscaped setback area at street level, which shall

1 have a minimum horizontal dimension of 10 feet. No required common recreation area shall be
2 less than 225 square feet.

3 4. Common recreation area that is provided as open space at street level shall be
4 counted as twice the actual area in determining the amount provided to meet the common
5 recreation area requirement.

6 5. In mixed use projects, the Director may permit a bonused public open space to
7 satisfy a portion of the common recreation area requirement, provided that the space meets the
8 standards of this Section 23.49.010, and the Director finds that its design, location, access, and
9 hours of operation meet the needs of building residents.

10 6. Parking areas, driveways and pedestrian access, except for pedestrian access
11 meeting the Washington State Rules and Regulations for Barrier Free Design, shall not be
12 counted as common recreation area.

13 7. In PSM zones, the Director of ((~~the Department of~~)) Neighborhoods, on
14 recommendation of the Pioneer Square Preservation Board, may waive the requirement for
15 common recreation area, pursuant to the criteria of Section 23.66.155(~~(, Waiver of common~~
16 ~~recreation area requirements)~~)).

17 8. In IDM and IDR zones, the Director of ((~~the Department of~~)) Neighborhoods,
18 on recommendation of the International District Special Review District Board, may waive the
19 requirement for common recreation area, pursuant to the criteria of Section 23.66.155(~~(, Waiver~~
20 ~~of common recreation area requirements)~~)).

21 9. For lots abutting designated green streets, up to 50 percent of the common
22 recreation area requirement may be met by contributing to the development of a green street. The
23 Director may waive the requirement that the green street abut the lot and allow the improvement

1 to be made to a green street located in the general vicinity of the project if such an improvement
2 is determined to be beneficial to the residents of the project.

3 * * *

4 Section 29. Section 23.49.012 of the Seattle Municipal Code, last amended by Ordinance
5 124843, is amended as follows:

6 **23.49.012 Bonus floor area for voluntary agreements for housing and child care**

7 A. General provisions

8 1. The purpose of this Section 23.49.012 is to encourage development in addition
9 to that authorized by basic zoning regulations ("bonus development"), provided that certain
10 adverse impacts from the bonus development are mitigated. Two impacts from additional
11 development are an increased need for (~~low-income~~) affordable housing to house the families
12 of downtown workers having lower-paid jobs and an increased need for child care for downtown
13 workers.

14 2. If an applicant elects to seek approval of bonus development pursuant to this
15 Section 23.49.012, the applicant must execute a voluntary agreement with the City in which the
16 applicant agrees to provide mitigation for the impacts identified in subsection 23.49.012.A.1. In
17 the absence of a signed voluntary agreement, acceptance of a permit for any bonus development
18 allowed under this Section 23.49.012 shall constitute a voluntary agreement on the terms set
19 forth in this Section 23.49.012. The mitigation may be provided by building the requisite (~~low-~~
20 ~~income~~) affordable housing or child care facilities (the "performance option"), by making a
21 contribution to be used by the City to build or provide the housing and child care facilities (the
22 "payment option"), or by a combination of the performance and payment options.

1 ~~((3. For purposes of this Section 23.49.012, a housing unit serves low income~~
2 ~~households only if either:~~

3 a) ~~For a period of 50 years beginning upon the issuance of a final~~
4 ~~certificate of occupancy by the Department for the project using the bonus development, the~~
5 ~~housing unit is used as rental housing solely for low income households, at rent limited so that~~
6 ~~annual housing costs, including rent and basic utilities, do not exceed 30 percent of 80 percent of~~
7 ~~median income, and the housing unit and the structure in which it is located are maintained in~~
8 ~~decent and habitable condition, including adequate basic appliances in the housing unit; or~~

9 b) ~~The unit is sold for owner occupancy to a low income household at an~~
10 ~~initial sale price limited so that the annual housing costs, including mortgage principal and~~
11 ~~interest, real estate taxes, and insurance plus homeowner dues if applicable, are not expected to~~
12 ~~exceed 35 percent of 80 percent of median income, according to a calculation based on~~
13 ~~reasonable assumptions and approved by the Director of Housing, and the unit is subject to a~~
14 ~~recorded instrument satisfactory to the Director of Housing with a term of 50 years beginning~~
15 ~~upon the issuance of a final certificate of occupancy by the Department for the project using the~~
16 ~~bonus development, providing for sales prices on any resale consistent with affordability on the~~
17 ~~same basis as the initial sale, allowing resales only to low income households, and requiring that~~
18 ~~upon any resale the housing unit be in decent and habitable condition, including adequate basic~~
19 ~~appliances, for such 50 year period.))~~

20 B. Voluntary agreements for housing ~~((and child care))~~. The voluntary agreement shall
21 commit the developer to provide or contribute to ~~((the following facilities in the following~~
22 ~~amounts: 1. Housing))~~ affordable housing according to Chapter 23.58A.

1 ~~((a. Housing serving low income households equal to at least 15.6 percent~~
2 ~~of each gross square foot of bonus floor area obtained through the performance option must be~~
3 ~~provided. A cash contribution for each gross square foot of bonus floor area obtained through the~~
4 ~~payment option, as an alternative to the performance option, for housing to serve low income~~
5 ~~households must be provided. The alternative cash contribution is \$18.75 per gross square foot of~~
6 ~~bonus floor area obtained through the payment option, subject to adjustment under this~~
7 ~~subsection 23.49.012.B.1.a. From the effective date of the ordinance introduced as Council Bill~~
8 ~~117908 to June 30, 2014, the alternative cash contribution is \$22.88 per gross square foot of~~
9 ~~bonus floor area obtained through the payment option. From July 1, 2014 to June 30, 2015, the~~
10 ~~alternative cash contribution is \$24.95 per gross square foot of bonus floor area obtained through~~
11 ~~@the payment option plus the product of \$24.95 times the 2013 annual average change in the~~
12 ~~Consumer Price Index, All Urban Consumers, Seattle Tacoma metropolitan area, All Items~~
13 ~~(1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or~~
14 ~~successor index. On July 1, 2015, and on the same day annually thereafter the alternative cash~~
15 ~~contribution amount in this subsection 23.49.012.B.1.a shall automatically adjust in proportion to~~
16 ~~the change in the Consumer Price Index, All Urban Consumers, Seattle Tacoma metropolitan~~
17 ~~area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of~~
18 ~~Labor Statistics, or successor index, from January 1, 2014, or the time the alternative cash~~
19 ~~contribution was last adjusted, whichever is later.~~

20 ~~b. For the performance option, housing serving low income households~~
21 ~~must be provided within the project using the bonus development unless the Director, after~~
22 ~~consultation with the Director of Housing, approves an alternate location, as a Type I decision. In~~
23 ~~determining whether to approve an alternate location, the Director shall consider the extent to~~

1 ~~which low income housing at that location would mitigate the impact of the development on the~~
2 ~~need for low income housing serving downtown workers. The alternate location must be in one~~
3 ~~of the following areas, prioritized in the following order:~~

- 4 ~~1) within the Downtown Urban Center;~~
- 5 ~~2) within an Urban Center adjacent to the Downtown Urban~~
6 ~~Center;~~
- 7 ~~3) in the City within 0.5 mile of a light rail or bus rapid transit~~
8 ~~station on a route serving the Downtown Urban Center;~~
- 9 ~~4) in the City within 0.25 mile of a bus or streetcar stop on a route~~
10 ~~serving the Downtown Urban Center.~~

11 ~~e. For purposes of this Section 23.49.012, housing may be considered to~~
12 ~~be provided by the applicant seeking bonus floor area if:~~

13 ~~1) It is committed to serve low income households pursuant to an~~
14 ~~agreement between the housing owner and the City executed and recorded prior to the issuance~~
15 ~~of the building permit for the housing, but no earlier than three years prior to the issuance of a~~
16 ~~Master Use Permit for the project using the bonus floor area; and~~

17 ~~2) The housing is newly constructed, is converted from non-~~
18 ~~residential use, or is renovated; and:~~

19 ~~a) The housing is owned by the applicant seeking to use the~~
20 ~~bonus; or~~

21 ~~b) The owner of the housing has signed, and there is in~~
22 ~~effect, a linkage agreement approved by the Director of Housing allowing the use of the housing~~
23 ~~bonus in return for necessary and adequate financial support to the development of the housing;~~

1 ~~and either the applicant has, by the terms of the linkage agreement, the exclusive privilege to use~~
2 ~~the housing to satisfy conditions for bonus floor area; or the applicant is the assignee of the~~
3 ~~privilege to use the housing to satisfy conditions for bonus floor area, pursuant to a full and~~
4 ~~exclusive assignment, approved by the Director of Housing, of the linkage agreement, and all~~
5 ~~provisions of this Section 23.49.012 respecting assignments are complied with. If housing is~~
6 ~~developed in advance of a linkage agreement, payments by the applicant used to retire or reduce~~
7 ~~interim financing may be considered necessary and adequate support for the development of the~~
8 ~~housing.~~

9 ~~d. Housing that is not yet constructed, or is not ready for occupancy, at the~~
10 ~~time of the issuance of a building permit for the project intending to use bonus floor area, may be~~
11 ~~considered to be provided by the applicant if, within three years of the issuance of the first~~
12 ~~building permit for that project, the Department issues a final certificate of occupancy for such~~
13 ~~housing. Any applicant seeking to qualify for bonus floor area based on housing that is not ready~~
14 ~~for occupancy shall provide to the City, prior to the date when a contribution would be due for~~
15 ~~the cash option under subsection 23.49.012.C, an irrevocable bank letter of credit or other~~
16 ~~sufficient security approved by the Director of Housing, and a related voluntary agreement, so~~
17 ~~that at the end of the three year period, if the housing does not qualify or is not provided in a~~
18 ~~sufficient amount to satisfy the terms of this Section 23.49.012, the City shall receive:~~

19 ~~1) a cash contribution for housing in the amount determined~~
20 ~~pursuant to this Section 23.49.012 after credit for any qualifying housing then provided; plus~~

21 ~~2) an amount equal to interest on the contribution, at the rate equal~~
22 ~~to the prime rate quoted from time to time by Bank of America, or its successor, plus three~~

1 ~~percent per annum, from the date of issuance of the first building permit for the project using the~~
2 ~~bonus.~~

3 ~~If and when the City becomes entitled to realize on any security, the~~
4 ~~Director of Housing shall take appropriate steps to do so, and the amounts realized, net of any~~
5 ~~costs to the City, shall be used in the same manner as cash contributions for housing made under~~
6 ~~this Section 23.49.012. In the case of any project proposing to use bonus floor area for which no~~
7 ~~building permit is required, references to the building permit in subsection 23.49.012.B.1 shall~~
8 ~~mean the Master Use Permit allowing establishment or expansion of the use for which bonus~~
9 ~~floor area is sought.~~

10 ~~e. Nothing in this Chapter 23.49 shall be construed to confer on any owner~~
11 ~~or developer of housing, any party to a linkage agreement, or any assignee, any development~~
12 ~~rights or property interests. Because the availability and terms of allowance of bonus floor area~~
13 ~~depend upon the regulations in effect at the relevant time for the project proposing to use the~~
14 ~~bonus floor area, pursuant to Section 23.76.026, any approvals or agreements by the Director of~~
15 ~~Housing regarding the eligibility of actual or proposed housing as to satisfy conditions of a~~
16 ~~bonus, and any approval of a linkage agreement and/or assignment, do not grant any vested~~
17 ~~rights, nor guarantee that any bonus floor area will be permitted based on the housing.~~

18 ~~f. The Director of Housing shall review the design and proposed~~
19 ~~management plan for any housing proposed under the performance option to determine whether~~
20 ~~it will comply with the terms of this Section 23.49.012.~~

21 ~~g. The Director of Housing is authorized to accept a voluntary agreement~~
22 ~~for the provision of housing and related agreements and instruments consistent with this Section~~
23 ~~23.49.012.~~

1 ~~h. Any provision of any Director's rule notwithstanding, the housing units~~
2 ~~shall continue to satisfy the applicable requirements of subsection 23.49.012.B.1 throughout the~~
3 ~~required 50-year period and that compliance shall be documented annually to the satisfaction of~~
4 ~~the Director of Housing, and the owner of any project using the bonus floor area shall be in~~
5 ~~violation of this Title 23 if any housing unit does not satisfy applicable requirements, or if~~
6 ~~satisfactory documentation is not provided to the Director of the Office of Housing, at any time~~
7 ~~during that period. The Director of Housing may provide by rule for circumstances in which~~
8 ~~housing units may be replaced if lost due to casualty or other causes, and for terms and~~
9 ~~conditions upon which a cash contribution may be made in lieu of continuing to provide housing~~
10 ~~units under the terms of subsection 23.49.012.B.1. If housing is provided for owner occupancy~~
11 ~~pursuant to an agreement under subsection 23.49.012.B.1, the owner of any project using the~~
12 ~~bonus floor area shall be in violation of this Title 23 if the first sale or other transfer of a housing~~
13 ~~unit after it becomes subject to that agreement is not made to a low-income household or is not~~
14 ~~made on the terms and subject to the recorded instrument provided in subsection~~
15 ~~23.49.012.B.1.b.2, which shall be a continuing violation until that unit or another unit accepted~~
16 ~~by the Director of Housing in substitution for it is sold to a low-income household on those~~
17 ~~terms, and subject to a recorded instrument as described in that subsection 23.49.012.B.1.b.2.~~

18 ~~i. Housing units provided to qualify for a bonus, or produced with~~
19 ~~voluntary contributions made under this Section 23.49.012, should include a range of unit sizes,~~
20 ~~including units suitable for families with children. The Director of Housing is authorized to~~
21 ~~prescribe by rule minimum requirements for the range of unit sizes, by numbers of bedrooms, in~~
22 ~~housing provided to qualify for a bonus. The Director of Housing shall take into account, in any~~
23 ~~such rule, estimated distributions of household sizes among low-income households. The~~

1 ~~Director of Housing is further authorized to adopt policies for distribution of unit sizes in~~
2 ~~housing developments funded by contributions received under this Section 23.49.012.~~

3 ~~j. Any failure of the low income housing to satisfy the requirements of~~
4 ~~subsection 23.49.012.B.1 shall not affect the right to maintain or occupy the bonus floor area if~~
5 ~~the Director of Housing certifies to the Director that either:~~

6 ~~1) The applicant has provided the City with a letter of credit or~~
7 ~~other sufficient security pursuant to subsection 23.49.012.B.1.d; or~~

8 ~~2) There have been recorded one or more agreements or~~
9 ~~instruments satisfactory to the Director of Housing providing for occupancy and affordability~~
10 ~~restrictions on low income housing with the minimum floor area determined under subsection~~
11 ~~23.49.012.B.1, all low income housing has been completed, and the low income housing is on a~~
12 ~~different lot from the bonus floor area or is in one or more condominium units separate from the~~
13 ~~bonus development under condominium documents acceptable to the Director of Housing.~~

14 ~~k. Unless and until the Director of Housing certifies as set forth in~~
15 ~~subsection 23.49.012.B.1.j, it shall be a continuing permit condition, whether or not expressly~~
16 ~~stated, for each development obtaining bonus floor area based on the provision of low income~~
17 ~~housing to which this Section 23.49.012 applies, that the low income housing shall be~~
18 ~~maintained in compliance with the terms of this Section 23.49.012 and any applicable provisions~~
19 ~~of the zone, as documented to the satisfaction of the Director of Housing.))~~

20 ~~((2. Child Care.))~~ C. Voluntary agreements for child care facilities. The voluntary
21 agreement shall commit the developer to provide or contribute to child care facilities as follows:

22 ~~((a.))~~ 1. For each square foot of bonus floor area allowed under this ((section))
23 Section 23.49.012, in addition to ((providing housing or an alternative cash contribution pursuant

1 ~~to~~) satisfying requirements of subsection 23.49.012.B(~~(1)~~), the applicant shall provide fully
2 improved child care facility space sufficient for 0.000127 of a child care slot, or a cash
3 contribution to the City of (~~(\$3.25)~~) \$5.76 to be administered by the Human Services
4 Department. (~~From the effective date of the ordinance introduced as Council Bill 117908 to~~
5 ~~June 30, 2014, the alternative cash contribution is \$3.97 per gross square foot of bonus floor area~~
6 ~~obtained through the payment option. From July 1, 2014 to June 30, 2015, the alternative cash~~
7 ~~contribution is \$4.32 per gross square foot of bonus floor area obtained through the payment~~
8 ~~option plus the product of \$4.32 times the 2013 annual average change in the Consumer Price~~
9 ~~Index, All Urban Consumers, Seattle Tacoma metropolitan area, All Items (1982-84 = 100), as~~
10 ~~determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index. On~~
11 ~~July 1, 2015 and on the same day annually thereafter the alternative)) The in lieu cash
12 contribution amount in this subsection ((23.49.012.B.2.a)) 23.49.012.C.1 shall automatically
13 adjust annually on March 1, starting in 2024, by an amount in proportion to ((the change)) the
14 increase, if any, for January 1 through December 31 of the prior calendar year, in the Consumer
15 Price Index, All Urban Consumers, Seattle-Tacoma-Bellevue, WA ((metropolitan area)), All
16 Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor
17 Statistics, or successor index((, from January 1, 2014 or the time the alternative cash contribution
18 was last adjusted, whichever is later)). The amount of the ((alternative)) in lieu cash contribution
19 made at the time specified in subsection 23.49.012.C shall be based on the ((alternative)) in lieu
20 cash contribution amount ((that is)) in effect ((when)) on the vesting ((of a)) date for the Master
21 Use Permit ((occurs)) under Section 23.76.026 or, if no Master Use Permit is required, on the
22 filing date for the valid and fully complete permit application. The minimum interior space in the
23 child care facility for each child care slot shall comply with all applicable state and local~~

1 regulations governing the operation of licensed childcare providers. Child care facility space
2 shall be deemed provided only if the applicant causes the space to be newly constructed or newly
3 placed in child care use after the submission of a permit application for the project intended to
4 use the bonus floor area, except as provided in subsection ~~((23.49.012.B.2.b.6))~~ 23.49.012.C.2.f.
5 If any contribution or subsidy in any form is made by any public entity to the acquisition,
6 development, financing or improvement of any child care facility, then any portion of the space
7 in such facility determined by the Director of ~~((the))~~ Human Services ~~((Department))~~ to be
8 attributable to such contribution or subsidy shall not be considered as provided by any applicant
9 other than that public entity.

10 ~~((b.))~~ 2. Child care space shall be provided on the same lot as the project using the
11 bonus floor area or on another lot in a downtown zone and shall be ~~((contained))~~ in a child care
12 facility satisfying the following standards:

13 ~~((1))~~ a. The child care facility and accessory exterior space must be
14 approved for licensing by the State of Washington Department of ~~((Social and Health Services))~~
15 Children, Youth, and Families and any other applicable state or local governmental agencies
16 responsible for the regulation of licensed childcare providers.

17 ~~((2))~~ b. At least 20 percent of the number of child care slots for which
18 space is provided ~~((as a condition of))~~ to gain bonus floor area must be reserved for, and
19 affordable to, families with annual incomes at or below the U.S. Department of Housing and
20 Urban Development Low Income Standard for Section 8 Housing based on family size (or, if
21 such standard shall no longer be published, a standard established by the Director of Human
22 Services ~~((Director))~~ based generally on 80 percent of the median family income of the
23 Metropolitan Statistical Area, or division thereof, that includes Seattle, adjusted for family size).

1 Child care slots shall be deemed to meet these conditions if they serve, and are limited to, a)
2 children receiving child care subsidy from ~~((the))~~ The City of Seattle, King County, or State
3 Department of Social and Health Services, and/or b) children whose families have annual
4 incomes no higher than the above standard who are charged according to a sliding fee scale such
5 that the fees paid by any family do not exceed the amount it would be charged, exclusive of
6 subsidy, if the family were enrolled in the City of Seattle Child Care ~~((Subsidy))~~ Assistance
7 Program.

8 ~~((3))~~ c. Child care space provided to satisfy bonus conditions shall be
9 dedicated to child care use, consistent with the terms of this ~~((section))~~ Section 23.49.012, for 20
10 years. The dedication shall be established by a recorded covenant, running with the land, and
11 enforceable by the City, signed by the owner of the lot where the child care facility is located and
12 by the owner of the lot where the bonus floor area is used, if different from the lot of the child
13 care facility. The child care facility shall be maintained in operation, with adequate staffing, at
14 least 11 hours per day, five days per week, 50 weeks per year.

15 ~~((4))~~ d. Exterior space for which a bonus is or has been allowed under any
16 other section of this ~~((title))~~ Title 23 or under former Title 24 shall not be eligible to satisfy the
17 conditions of this ~~((section))~~ Section 23.49.012.

18 ~~((5))~~ e. Unless the applicant is the owner of the child care space and is a
19 duly licensed and experienced child care provider approved by the Director of ~~((the))~~ Human
20 Services ~~((Department))~~, the applicant shall provide to the Director a signed agreement,
21 acceptable to such Director, with a duly licensed child care provider, under which the child care
22 provider agrees to operate the child care facility consistent with the terms of this ~~((section))~~

1 Section 23.49.012 and of the recorded covenant, and to provide reports and documentation to the
2 City to demonstrate such compliance.

3 ~~((e))~~ f. One child care facility may fulfill the conditions for a bonus for
4 more than one project if it includes sufficient space, and provides sufficient slots affordable to
5 limited income families, to satisfy the conditions for each such project without any space or child
6 care slot being counted toward the conditions for more than one project. If the child care facility
7 is located on the same lot as one of the projects using the bonus, then the owner of that lot shall
8 be responsible for maintaining compliance with all the requirements applicable to the child care
9 facility; otherwise responsibility for such requirements shall be allocated by agreement in such
10 manner as the Director of ~~((the))~~ Human Services ~~((Department))~~ may approve. If a child care
11 facility developed to qualify for bonus floor area by one applicant includes space exceeding the
12 amount necessary for the bonus floor area used by that applicant, then to the extent that the
13 voluntary agreement accepted by the Director of ~~((the))~~ Human Services ~~((Department))~~ from
14 that applicant so provides, such excess space may be deemed provided by the applicant for a
15 later project pursuant to a new voluntary agreement signed by both such applicants and by any
16 other owner of the child care facility, and a modification of the recorded covenant, each in form
17 and substance acceptable to such Director.

18 ~~((e-))~~ 3. The Director of ~~((the))~~ Human Services ~~((Department))~~ shall review the
19 design and proposed management plan for any child care facility proposed to qualify for bonus
20 floor area to determine whether it will comply with the terms of this Section 23.49.012. The
21 allowance of bonus floor area is conditioned upon approval of the design and proposed
22 management plan by the Director. The child care facility shall be constructed consistent with the
23 design approved by such Director and shall be operated for the minimum 20 year term consistent

1 with the management plan approved by such Director, in each case with only such modifications
2 as shall be approved by such Director. If the proposed management plan includes provisions for
3 payment of rent or occupancy costs by the provider, the management plan must include a
4 detailed operating budget, staffing ratios, and other information requested by the Director to
5 assess whether the child care facility may be economically feasible and able to deliver quality
6 services.

7 ~~((d.))~~ 4. The Director of ~~((the))~~ Human Services ~~((Department))~~ is authorized to
8 accept a voluntary agreement for the provision of a child care facility to satisfy bonus conditions
9 and related agreements and instruments consistent with this Section 23.49.012. The voluntary
10 agreement may provide, in case a child care facility is not maintained in continuous operation
11 consistent with this subsection ~~((23.49.012.B.2))~~ 23.49.012.C at any time within the minimum 20
12 year period, for the City's right to receive payment of a prorated amount of the ~~((alternative))~~ in
13 lieu cash contribution that then would be applicable to a new project seeking bonus floor area.
14 Such Director may require security or evidence of adequate financial responsibility, or both, as a
15 condition to acceptance of an agreement under this subsection ~~((23.49.012.B.2))~~ 23.49.012.C.

16 ~~((C.))~~ D. Cash ~~((Option Payments))~~ option payments for child care. Cash payments under
17 voluntary agreements for bonuses according to subsection 23.49.012.C shall be made prior to
18 issuance of any building permit after the first building permit for a project, and in any event
19 before any permit for any construction activity other than excavation and shoring is issued, or if
20 the bonus is for use of existing floor area, the cash payment shall be made prior to issuance of
21 any permit or modification allowing for use of the space as chargeable floor area. The payments
22 shall be deposited in a special ~~((accounts))~~ account established solely to fund expenditures for
23 the development of ~~((low-income housing and))~~ childcare. Earnings on balances in the special

1 ~~((accounts))~~ account shall accrue to ~~((those accounts. Cash payments made in lieu of providing~~
2 ~~low income housing and any earnings thereon shall be deposited in the Low Income Housing~~
3 ~~Fund and used by the Director of Housing to support development of low income housing,~~
4 ~~including renter or owner housing, which support may include financing property purchase for~~
5 ~~the purpose of providing low income housing. Payments in lieu of low income housing also may~~
6 ~~be used for loans or grants to low income households for home purchases))~~ that account. The
7 Director of Human Services ~~((Director))~~ shall use cash payments made in lieu of child care
8 facilities and any earnings thereon to support development of child care facilities. Uses of funds
9 to support ~~((housing and))~~ child care facilities may include the City's costs to administer projects,
10 not to exceed ten percent of total payments under this section and of any earnings thereon, and
11 support provided through loans or grants to owners or developers. The location of ~~((low income~~
12 ~~housing and))~~ child care facilities funded wholly or in part with cash payments shall be
13 prioritized in the following order: 1) within the Downtown Urban Center; 2) within an Urban
14 Center adjacent to the Downtown Urban Center; 3) in the City within 0.5 mile of a light rail or
15 bus rapid transit station on a route serving the Downtown Urban Center; 4) in the City within
16 0.25 mile of a bus or streetcar stop on a route serving the Downtown Urban Center. ~~((Housing~~
17 ~~units that are funded with cash contributions under this section shall be generally comparable in~~
18 ~~their average size and quality of construction to other housing units in the same structure, in the~~
19 ~~judgment of the Director of Housing.~~

20 ~~D. No Subsidies for Bonused Housing: Exception.~~

21 ~~1. Intent. Housing provided through the bonus system is intended to mitigate a~~
22 ~~portion of the additional housing needs resulting from increased density, beyond those needs that~~
23 ~~would otherwise exist, which the City and other governmental and charitable entities attempt to~~

1 ~~meet through various subsidy programs. Allowing bonus floor area under the performance option~~
2 ~~for housing that uses such subsidy programs therefore could undermine the intent of this section.~~

3 ~~2. Agreement Concerning Subsidies. The Director of the Office of Housing may~~
4 ~~require, as a condition of any bonus floor area for housing under the performance option, that the~~
5 ~~owner of the lot upon which the housing is located agree not to seek or accept any subsidies,~~
6 ~~including without limitation those items referred to in subsection D3 of this section, related to the~~
7 ~~housing, except for any subsidies that may be allowed by the Director of the Office of Housing~~
8 ~~under that subsection. The Director may require that such agreement provide for the payment to~~
9 ~~the City, for deposit in the Downtown Housing Bonus Account, of the value of any subsidies~~
10 ~~received in excess of any amounts allowed by such agreement.~~

11 ~~3. No Bonus for Subsidized or Restricted Housing. In general, no bonus may be~~
12 ~~earned by providing housing if:~~

13 ~~a. Any person is receiving or will receive with respect to the housing any~~
14 ~~charitable contributions or public subsidies for housing development or operation, including, but~~
15 ~~not limited to, tax exempt bond financing, tax credits, federal loans or grants. City of Seattle~~
16 ~~housing loans or grants, county housing funds, State of Washington housing funds, or property~~
17 ~~tax exemptions or other special tax treatment; or~~

18 ~~b. The housing is or would be, independent of the requirements for the~~
19 ~~bonus, subject to any restrictions on the use, occupancy or rents.~~

20 ~~4. Exceptions by Rule. The Director of the Office of Housing may provide, by~~
21 ~~rule promulgated after the effective date of this ordinance, for terms and conditions on which~~
22 ~~exceptions to the restriction on subsidies in this subsection may be allowed. Such rule may~~
23 ~~provide that, as a condition to any exception, the Director of the Office of Housing shall increase~~

1 ~~the amount of housing floor area per bonus square foot, as set forth in subsection B1 of this~~
2 ~~section, to an amount that allows credit for only the Director's estimate of the incremental effect,~~
3 ~~in meeting the City's housing needs for the next fifty (50) years, of the net financial contribution~~
4 ~~that is being made by the applicant pursuant to the voluntary agreement and not funded or~~
5 ~~reimbursed, directly or indirectly, from any other source.))~~

6 Section 30. Section 23.49.014 of the Seattle Municipal Code, last amended by Ordinance
7 126157, is amended as follows:

8 **23.49.014 Transfer of development rights**

9 * * *

10 B. Standards for ~~((Sending Lots.))~~ sending lots

11 1. Maximum transferable floor area except from lots in South Downtown. This
12 subsection 23.49.014.B.1 applies to sending lots that are not in South Downtown.

13 a. The maximum amount of floor area that may be transferred, except as
14 open space TDR, Landmark TDR, or Landmark housing TDR, from an eligible sending lot, is
15 the amount by which the product of the eligible lot area times the base FAR of the sending lot, as
16 provided in Section 23.49.011, exceeds the sum of any chargeable gross floor area existing or, if
17 a DMC housing TDR site, to be developed on the sending lot, plus any TDR previously
18 transferred from the sending lot.

19 b. The maximum amount of floor area that may be transferred from an
20 eligible open space TDR site is the amount by which the product of the eligible lot area times the
21 base FAR of the sending lot, as provided in Section 23.49.011, exceeds the sum of (a) any
22 existing chargeable gross floor area that is built on or over the portion of the sending lot that is
23 not made ineligible by subsection 23.49.017.C, plus (b) the amount, if any, by which the total of

1 any other chargeable floor area on the sending lot exceeds the product of the base FAR of the
2 sending lot, as provided in Section 23.49.011, multiplied by the difference between the total lot
3 area and the eligible lot area, plus (c) any TDR previously transferred from the sending lot.

4 c. The maximum amount of floor area that may be transferred from an
5 eligible Landmark housing TDR site is the amount by which the product of the eligible lot area
6 times the base FAR of the sending lot, as provided in Section 23.49.011, exceeds TDR
7 previously transferred from the sending lot, if any.

8 d. The maximum amount of floor area that may be transferred from an
9 eligible Landmark TDR site, if the chargeable floor area of the landmark structure is less than or
10 equal to the base FAR permitted in the zone, is equivalent to the base FAR of the sending lot,
11 minus any TDR that have been previously transferred. For landmark structures having
12 chargeable floor area greater than the base FAR of the zone, the amount of floor area that may be
13 transferred is limited to an amount equivalent to the base FAR of the sending lot minus the sum
14 of (a) any chargeable floor area of the landmark structure exceeding the base FAR and (b) any
15 TDR that have been previously transferred.

16 e. For purposes of this subsection 23.49.014.B.1, the eligible lot area is the
17 total area of the sending lot, reduced by the excess, if any, of the total of accessory surface
18 parking over $\frac{1}{4}$ of the total area of the footprints of all structures on the sending lot; and for an
19 open space TDR site, further reduced by the area of any portion of the lot ineligible under
20 subsection 23.49.017.C.

21 2. TDR from lots in South Downtown. This subsection 23.49.014.B.2 applies to
22 sending lots in South Downtown.

1 a. If the sending lot is located in a PSM or IDM zone, then subject to any
2 lower limit under this subsection 23.49.014.B.2, the gross floor area that may be transferred is
3 six times the lot area, minus the sum of any existing chargeable floor area and further reduced by
4 any TDR previously transferred from the sending lot.

5 b. If the sending lot is not located in a PSM or IDM zone, then subject to
6 any lower limit under this subsection 23.49.014.B.2, the gross floor area that may be transferred
7 is the amount by which the product of the eligible lot area times the base FAR of the sending lot,
8 as provided in Section 23.49.011, exceeds the sum of any chargeable floor area existing on the
9 sending lot, plus any TDR previously transferred from the sending lot.

10 c. The cumulative amount of housing TDR transferred from any lot in
11 South Downtown shall not exceed three times the lot area.

12 d. The cumulative amount of open space TDR transferred from any lot in
13 South Downtown shall not exceed three times the lot area.

14 e. The cumulative amount of South Downtown Historic TDR transferred
15 from any lot shall not exceed three times the lot area.

16 f. The cumulative combined amount of TDR and TDP transferred from
17 any lot in South Downtown shall not exceed six times the lot area.

18 g. For purposes of this subsection 23.49.014.B.2, the eligible lot area is the
19 total area of the sending lot, reduced by the excess, if any, of the total of accessory surface
20 parking over 1/4 of the total area of the footprints of all structures on the sending lot; and for an
21 open space TDR site, further reduced by any portion of the lot ineligible under subsection
22 23.49.017.C.

1 3. Effect of transfer in zones with base FAR limits. If TDR are transferred from a
2 sending lot in a zone with a base FAR limit, except an IDM zone, the amount of chargeable floor
3 area that may then be established on the sending lot is equal to the amount by which the area of
4 the lot, multiplied by the applicable base FAR limit set in Section 23.49.011, exceeds the total of:

5 a. The existing chargeable floor area on the lot; plus

6 b. The amount of gross floor area transferred from the lot.

7 4. Effect of transfer in PSM and IDM zones.

8 a. If TDR are transferred from a sending lot in a PSM zone, the amount of
9 chargeable floor area that may then be established on the sending lot is equal to the amount by
10 which the total gross floor area that could have been built on the sending lot consistent with
11 applicable development standards as determined by the Director had no TDR been transferred
12 exceeds the sum of:

13 1) The existing chargeable floor area on the lot; plus

14 2) The gross floor area of TDR transferred from the lot.

15 b. If TDR are transferred from a sending lot in an IDM zone, the amount
16 of chargeable floor area that may then be established on the sending lot shall not exceed the
17 amount by which the applicable base FAR limit in Section 23.49.011 multiplied by the lot area
18 exceeds the sum of:

19 1) The existing chargeable floor area on the lot; plus

20 2) The gross floor area of TDR transferred from the lot.

21 5. TDR from lots with more than base FAR not allowed; exception. Gross floor
22 area allowed above base FAR under any bonus provisions of this Title 23 or the former Title 24,
23 or allowed under any exceptions or waivers of development standards, may not be transferred.

1 TDR may be transferred from a lot that contains chargeable floor area exceeding the base FAR
2 only if the TDR are from an eligible Landmark TDR site, consistent with subsection
3 23.49.014.B.1.c, or to the extent, if any, that:

4 a. TDR were previously transferred to such lot in compliance with the
5 Land Use Code provisions and applicable rules then in effect;

6 b. Those TDR, together with the base FAR under Section 23.49.011,
7 exceed the chargeable floor area on the lot and any additional chargeable floor area for which
8 any permit has been issued or for which any permit application is pending; and

9 c. The excess amount of TDR previously transferred to such lot would
10 have been eligible for transfer from the original sending lot under Section 23.49.014 at the time
11 of their original transfer from that lot.

12 6. Rehabilitation of Landmark structures and contributing structures. Landmark
13 structures on sending lots from which Landmark TDR or Landmark housing TDR are transferred
14 shall be rehabilitated and maintained as required by the Landmarks Preservation Board.

15 Contributing structures under Section 23.66.032 on sending lots from which South Downtown
16 Historic TDR are transferred shall be rehabilitated and maintained as required by the Director of
17 Neighborhoods upon recommendation by the International Special Review District Board or the
18 Pioneer Square Preservation Board.

19 7. Rehabilitation of housing. Housing on lots from which housing TDR are
20 transferred shall be rehabilitated to the extent required to provide decent, sanitary and habitable
21 conditions, in compliance with applicable codes, and so as to have an estimated minimum useful
22 life of at least 50 years from the time of the TDR transfer, as approved by the Director of
23 Housing. Landmark buildings on lots from which Landmark housing TDR are transferred shall

1 be rehabilitated to the extent required to provide decent, sanitary and habitable housing, in
2 compliance with applicable codes, and so as to have an estimated minimum useful life of at least
3 50 years from the time of the TDR transfer, as approved by the Director of Housing and Director
4 of Neighborhoods. If housing TDR or Landmark housing TDR are proposed to be transferred
5 prior to the completion of work necessary to satisfy this subsection 23.49.014.B.7, the Director
6 of Housing may require, as a condition to such transfer, that security be deposited with the City
7 to ensure the completion of such work.

8 8. ~~((Low income housing units. The housing units on a lot from which))~~
9 Restricted units provided as a condition to eligibility of a lot as a housing TDR site, Landmark
10 housing TDR site, or DMC housing TDR ~~((are transferred, and that are committed to low-~~
11 ~~income housing use as a condition to eligibility of the lot as a TDR sending lot,))~~ site shall be
12 generally comparable in their average size and quality of construction to other ~~((housing))~~ units
13 in the same structure, in the judgment of the Director of Housing, after completion of any
14 rehabilitation or construction undertaken in order to qualify as a TDR sending lot.

15 9. Standards for eligibility as a South Downtown Historic TDR sending lot((-))

16 a. In order to be eligible to transfer South Downtown Historic TDR, a lot
17 must contain a structure that includes at least 5,000 gross square feet in above-grade space and
18 was finally determined to be a contributing structure under Section 23.66.032.

19 b. Contributing structures on a sending lot from which South Downtown
20 Historic TDR are transferred shall be rehabilitated and maintained as required by the Director of
21 Neighborhoods.

22 c. As a condition to finally allow the transfer of South Downtown Historic
23 TDR from a lot, the applicant must certify that the contributing structure continues to meet any

1 conditions identified by the Director of Neighborhoods pursuant to subsection 23.66.032.C
2 within no more than three years prior to the recordation of the deed conveying the TDR from the
3 sending lot.

4 d. South Downtown Historic TDR shall not be transferred from a lot from
5 which South Downtown Historic TDP has been transferred or from a lot on which any extra floor
6 area has been established based on the presence of a contributing structure.

7 * * *

8 Section 31. Section 23.49.015 of the Seattle Municipal Code, last amended by Ordinance
9 125603, is repealed:

10 ~~((23.49.015 Bonus residential floor area in DOC1, DOC2, and DMC zones outside South~~
11 ~~Downtown for voluntary agreements for low-income housing and moderate-income~~
12 ~~housing~~

13 A. General provisions

14 1. ~~The purpose of this Section 23.49.015 is to encourage residential development~~
15 ~~in addition to that authorized by basic zoning regulations ("bonus development"), provided that~~
16 ~~certain adverse impacts from the bonus development are mitigated. This Section 23.49.015 does~~
17 ~~not apply within South Downtown. "Basic zoning regulations" for purposes of this Section~~
18 ~~23.49.015 are the provisions of Section 23.49.008 that determine base height limits for~~
19 ~~residential use in DOC1, DOC2 and DMC zones, and for DMC zones, the provisions of Section~~
20 ~~23.49.058 that determine the maximum average floor area per story. The City has determined~~
21 ~~that one impact of high rise residential development is an increased need for low income~~
22 ~~housing and moderate income housing to house the families of workers having lower paid jobs~~
23 ~~who serve the residents of such development. The City also finds that DOC1, DOC2, and DMC~~

1 ~~zones are areas in which increased residential development will assist in achieving local growth~~
2 ~~management and housing policies, and has determined that increased residential development~~
3 ~~capacity and height of residential structures can be achieved within these zones, subject to~~
4 ~~consideration of other regulatory controls on development. The City Council finds that in the~~
5 ~~case of affordable housing for rental occupancy, use of the income level for low income housing~~
6 ~~rather than a lower level is necessary to address local housing market conditions, and that in the~~
7 ~~case of affordable housing for owner occupancy, higher income levels than those for low income~~
8 ~~housing are needed to address local housing market conditions. The City hereby adopts the~~
9 ~~extension of the authority of RCW 36.70A.540, as amended, and enacts this Section 23.49.015~~
10 ~~pursuant to such authority, in addition to the City's preexisting authority. To the extent that any~~
11 ~~provision of this Section 23.49.015 or the application thereof to any project for which a Master~~
12 ~~Use Permit application is considered under the Land Use Code as in effect after June 7, 2006~~
13 ~~would conflict with any requirement of RCW 36.70A.540, as it may be amended, the terms of~~
14 ~~this Section 23.49.015 shall be deemed modified to conform to the applicable requirements of~~
15 ~~RCW 36.70A.540.~~

16 ~~2. An applicant may elect to seek bonus development under this section only for a~~
17 ~~project in a DOC1, DOC2 or DMC zone that includes residential development. If an applicant~~
18 ~~elects to seek approval of bonus development under this section, the applicant must execute a~~
19 ~~voluntary agreement with the City in which the applicant agrees to provide mitigation for~~
20 ~~impacts described in subsection A1 of this section. The mitigation may be provided in the form~~
21 ~~of low income housing or moderate income housing, or both, either within or adjacent to the~~
22 ~~residential project using the bonus development (the "performance option"), by paying the City~~

1 ~~to build or provide the housing (the "payment option"), or by a combination of the performance~~
2 ~~and payment options.~~

3 ~~3. No bonus development under this section shall be granted to any proposed~~
4 ~~development that would result in significant alteration to any designated feature of a Landmark~~
5 ~~structure unless a Certificate of Approval for the alteration is granted by the Landmarks~~
6 ~~Preservation Board.~~

7 ~~4. The Master Use Permit application to establish any bonus development under~~
8 ~~this Section 23.49.015 shall include a calculation of the amount of bonus development sought~~
9 ~~and shall identify the manner in which the conditions to such bonus development shall be~~
10 ~~satisfied. The Director shall, at the time of issuance of any Master Use Permit decision approving~~
11 ~~any such bonus development, issue a Type I decision as to the amount of bonus development to~~
12 ~~be allowed and the conditions to such bonus development, which decision may include~~
13 ~~alternative means to achieve bonus development, at the applicant's option, if each alternative~~
14 ~~would be consistent with this Section 23.49.015 and any other conditions of the permit, including~~
15 ~~Design Review conditions if applicable.~~

16 ~~B. Voluntary agreements for housing~~

17 ~~1. The voluntary agreement shall commit the applicant to provide or contribute to~~
18 ~~low income housing or moderate income housing, or both, in an amount as set forth in this~~
19 ~~subsection 23.49.015.B. The quantities in this subsection 23.49.015.B are based on findings of an~~
20 ~~analysis that quantifies the linkages between new market rate units in high rise residential~~
21 ~~structures in DOC1, DOC2, and DMC zones and the demand that residents of such units~~
22 ~~generate for low income housing and moderate income housing. The amount of such housing~~
23 ~~and income levels served, and the amount of any cash payment, shall be determined as follows:~~

1 a. ~~For the performance option, the applicant shall provide, as low income~~
2 ~~housing or moderate income housing, net rentable floor area equal to 11 percent of the net~~
3 ~~residential floor area sought as bonus development, computed by multiplying the following sum~~
4 ~~by an efficiency factor of 80 percent: (i) the total square footage of gross residential floor area to~~
5 ~~be developed on the lot above the base height limit for residential use under Section 23.49.008,~~
6 ~~plus (ii) the excess, if any, in each tower to be developed on the lot, of (X) the total number of~~
7 ~~square feet of gross residential floor area between the height of 85 feet and the base height limit,~~
8 ~~over (Y) the product of the "average residential gross floor area limit of stories above 85 feet if~~
9 ~~height does not exceed the base height limit for residential use" as provided in Table B for~~
10 ~~23.49.058, column 2, multiplied by the number of stories with residential use in each tower~~
11 ~~above 85 feet and below the base height limit. All low income housing or moderate income~~
12 ~~housing provided under the performance option shall be on the lot where the bonus development~~
13 ~~is used or an adjacent lot. The adjacent lot must be within the block where the bonus~~
14 ~~development is used and either abut the lot where bonus development is used, or be separated~~
15 ~~only by public right of way. All rental housing provided under the performance option shall be~~
16 ~~low income housing.~~

17 b. ~~For the payment option, the applicant shall pay the lesser of the~~
18 ~~following:~~

19 1) ~~an amount that equals the approximate cost of developing the~~
20 ~~same number and quality of housing units that would be developed under the performance~~
21 ~~option, as determined by the Director; or~~

22 2) ~~in DMC zones:~~

1 a) ~~Eight dollars per square foot of gross residential floor~~
2 ~~area sought as bonus development between the height of 85 feet and the base height limit for~~
3 ~~residential use under Section 23.49.008, \$12 per square foot of the gross residential floor area of~~
4 ~~the first four stories above the base height limit for residential use, \$16 per square foot of gross~~
5 ~~residential floor area of the next three stories, and \$20 per square foot of gross residential floor~~
6 ~~area of the higher stories, not to exceed an average of \$15.15 per square foot of gross residential~~
7 ~~floor area sought as bonus development; and~~

8 b) ~~after January 18, 2014, \$11.45 per square foot of gross~~
9 ~~residential floor area sought as bonus development between the height of 85 feet and the base~~
10 ~~height limit for residential use under Section 23.49.008, \$17.17 per square foot of the gross~~
11 ~~residential floor area of the first four stories above the base height limit for residential use,~~
12 ~~\$22.89 per square foot of gross residential floor area of the next three stories, and \$28.62 per~~
13 ~~square foot of gross residential floor area of the higher stories, not to exceed an average of~~
14 ~~\$21.68 per square foot of gross residential floor area sought as bonus development; and~~

15 3) ~~in DOC1 and DOC2 zones:~~

16 a) ~~\$15.15 per square foot of gross residential floor area~~
17 ~~sought as bonus development above the base height limit for residential use under Section~~
18 ~~23.49.008; and~~

19 b) ~~after January 18, 2014, \$21.68 per square foot of gross~~
20 ~~residential floor area sought as bonus development above the base height limit for residential use~~
21 ~~under Section 23.49.008.~~

22 c. ~~The amount of the alternative cash contribution, as provided in this~~
23 ~~subsection 23.49.015.B.1.b and made at the time specified in subsection 23.49.015.C, shall be~~

1 ~~based on the amount that is in effect when vesting of a Master Use Permit occurs under~~
2 ~~23.76.026. The full amount must be paid to the City in cash, except that if the City shall approve~~
3 ~~by ordinance the acceptance of specific real property in lieu of all or part of the cash payment,~~
4 ~~the Director of Housing may accept the real property.~~

5 2. ~~Each low-income housing unit provided as a condition to the bonus allowed~~
6 ~~under this Section 23.49.015 shall serve only households with incomes at or below 80 percent of~~
7 ~~median income at the time of their initial occupancy. Each moderate-income housing unit~~
8 ~~provided as a condition to the bonus allowed under this Section 23.49.015 shall serve only as~~
9 ~~owner-occupied housing for households with incomes no higher than median income at the time~~
10 ~~of their initial occupancy. For rental housing, housing costs, including rent and basic utilities,~~
11 ~~shall not exceed 30 percent of 80 percent of median income, adjusted for the average size of~~
12 ~~family expected to occupy the unit based on the number of bedrooms, all as determined by the~~
13 ~~Housing Director, for a minimum period of 50 years. For owner-occupied housing, the initial~~
14 ~~sale price shall not exceed an amount determined by the Housing Director to be consistent with~~
15 ~~affordable housing for a moderate-income household with the average family size expected to~~
16 ~~occupy the unit based on the number of bedrooms, and the units shall be subject to recorded~~
17 ~~instruments satisfactory to the Housing Director providing for sales prices on any resale~~
18 ~~consistent with affordability on the same basis. The Housing Director may promulgate rules~~
19 ~~specifying the method of determining affordability, including eligible monthly housing costs.~~
20 ~~The Housing Director may also promulgate rules for determining whether units satisfy the~~
21 ~~requirements of this Section 23.49.015 and any requirements relating to down-payment amount,~~
22 ~~design, quality, maintenance, and condition of the low-income housing or moderate-income~~
23 ~~housing.~~

1 3. For purposes of this Section 23.49.015, housing may be considered to be
2 provided by the applicant seeking bonus development under the performance option if the
3 housing satisfies all of the following conditions:

4 a. It is committed to serve an eligible income group, and for a time period,
5 referred to in this Section 23.49.015 pursuant to an agreement between the housing owner and
6 the City.

7 b. The agreement required by subsection 23.49.015.B.3.a is executed and
8 recorded prior to the issuance of the Master Use Permit to establish the use for the project using
9 the bonus development, but except when subsection 23.49.015.B.3.c.2 below applies, no earlier
10 than one year prior to issuance of that Master Use Permit.

11 c. Either:

12 1) The Certificate of Occupancy for the new low-income housing
13 or moderate income housing, or both, must be issued within three years of the date the Certificate
14 of Occupancy is issued for the project using the bonus development, unless the Housing Director
15 approves an extension based on delays that the applicant or housing developer could not
16 reasonably have avoided, or

17 2) Only in the case of low-income housing on a lot adjacent to the
18 project using bonus development, which housing is subject to a regulatory agreement related to
19 long-term City financing of low-income housing and was developed under a Master Use Permit
20 issued pursuant to a decision that considered the housing together with a project then proposed
21 on that adjacent site, a final Certificate of Occupancy for the low-income housing was issued
22 within five years of the building permit issuance for the project proposed for bonus development
23 on the adjacent lot.

1 ~~d. If the low income housing or moderate income housing is not owned by~~
2 ~~the applicant, then the applicant made a financial contribution to the low income housing or~~
3 ~~moderate income housing, or promised such contribution and has provided to the City an~~
4 ~~irrevocable, unconditional letter of credit to ensure its payment, in form and content satisfactory~~
5 ~~to the Housing Director, in either case in an amount determined by the Housing Director to be,~~
6 ~~when reduced by the value of any expected benefits to be received for such contribution other~~
7 ~~than the bonus development, approximately equal to the cost of providing units within the~~
8 ~~project using the bonus development, and the owner of the low income housing or moderate-~~
9 ~~income housing has entered into a linkage agreement with the applicant pursuant to which only~~
10 ~~the applicant has the right to claim such housing for purposes of bonus development under this~~
11 ~~Section 23.49.015 or any other bonus under this Title 23.~~

12 4. Any applicant seeking to qualify for bonus floor area based on development of
13 new housing shall provide to the City, prior to the date when a contribution would be due for the
14 cash option under subsection C of this section, an irrevocable bank letter of credit or other
15 sufficient security approved by the Director of the Office of Housing, and a related voluntary
16 agreement, so that at the end of the three (3) year period specified in subsection B3 of this
17 section, if the housing does not qualify or is not provided in a sufficient amount to satisfy the
18 terms of this section, the City shall receive (i) a cash contribution for housing in the amount
19 determined pursuant to this section after credit for any qualifying housing then provided, plus (ii)
20 an amount equal to interest on such contribution, at the rate equal to the prime rate quoted from
21 time to time by Bank of America, or its successor, plus three (3) percent per annum, from the
22 date of issuance of the first building permit for the project using the bonus. If and when the City
23 becomes entitled to realize on any such security, the Director of the Office of Housing shall take

1 ~~appropriate steps to do so, and the amounts realized, net of any costs to the City, shall be used in~~
2 ~~the same manner as cash contributions for housing made under this section. In the case of any~~
3 ~~project proposing to use bonus development for which no building permit is required, references~~
4 ~~to the building permit in this subsection shall mean the master use permit allowing establishment~~
5 ~~or expansion of the use for which bonus development is sought.~~

6 ~~5. Nothing in this chapter shall be construed to confer on any owner or developer~~
7 ~~of housing, any party to a linkage agreement, or any assignee, any development rights or~~
8 ~~property interests. Because the availability and terms of allowance of bonus development depend~~
9 ~~upon the regulations in effect at the relevant time for the project proposing to use such bonus~~
10 ~~development, pursuant to SMC Section 23.76.026, any approvals or agreements by the Director~~
11 ~~of the Office of Housing regarding the eligibility of actual or proposed housing as to satisfy~~
12 ~~conditions of a bonus, and any approval of a linkage agreement and/or assignment, do not grant~~
13 ~~any vested rights, nor guarantee that any bonus development will be permitted based on such~~
14 ~~housing.~~

15 ~~6. The Director of the Office of Housing is authorized to accept and execute~~
16 ~~agreements and instruments to implement this section. For the performance option, the voluntary~~
17 ~~agreement by the applicant or, if the applicant is not the housing owner, then a recorded~~
18 ~~agreement of the housing owner acceptable to the Housing Director, shall provide for an initial~~
19 ~~monitoring fee payable to the City of Five Hundred Dollars (\$500) per unit of low income~~
20 ~~housing or moderate income housing provided, and in the case of rental housing, an annual~~
21 ~~monitoring fee payable to the City of Sixty five Dollars (\$65) for each such unit. For rental~~
22 ~~housing, such agreement also shall require the housing owner to submit to the City annual~~
23 ~~reports with such information as the Housing Director shall require for monitoring purposes. In~~

1 ~~the case of housing for owner occupancy, the recorded resale restrictions also shall include a~~
2 ~~provision requiring payment to the City, on any sale or other transfer, of a fee of Five Hundred~~
3 ~~Dollars (\$500) for the review and processing of transfer documents to determine compliance~~
4 ~~with income and affordability restrictions.~~

5 7. ~~If the Housing Director shall certify to the Director that the Housing Director~~
6 ~~has accepted and there have been recorded one or more agreements or instruments satisfactory to~~
7 ~~the Housing Director providing for occupancy and affordability restrictions on housing provided~~
8 ~~for purposes of the performance option under this section, and that either all affordable housing~~
9 ~~has been completed or the applicant has provided the City with an irrevocable, unconditional~~
10 ~~letter of credit satisfactory to the Housing Director in the amount of the contribution to the~~
11 ~~affordable housing approved by the Housing Director, if applicable, then any failure of such~~
12 ~~housing to satisfy the requirements of this subsection B shall not affect the right to maintain or~~
13 ~~occupy the bonus development. Unless and until the Housing Director shall so certify, it shall be~~
14 ~~a continuing permit condition, whether or not expressly stated, for each project obtaining bonus~~
15 ~~floor area based on the provision of housing under this subsection, that the low income or~~
16 ~~moderate income housing units, or both, as applicable, shall continue to satisfy the requirements~~
17 ~~of this subsection throughout the term specified in this section and that such compliance shall be~~
18 ~~documented to the satisfaction of the Director of the Office of Housing. The Director of the~~
19 ~~Office of Housing may provide by rule for circumstances in which low income or moderate~~
20 ~~income housing units, or both, as applicable, may be replaced if lost due to casualty or other~~
21 ~~causes, and for terms and conditions upon which a cash contribution may be made in lieu of~~
22 ~~continuing to provide low income housing or moderate income housing, or both, under the terms~~
23 ~~of this subsection.~~

1 ~~8. Housing units produced with voluntary contributions made under this section,~~
2 ~~shall include a range of unit sizes, including units suitable for families with children. Housing~~
3 ~~units provided to qualify for bonus development shall comply with the following: (i) they shall~~
4 ~~be provided in a range of sizes comparable to those available to other residents; (ii) to the extent~~
5 ~~practicable, the number of bedrooms in low income units and moderate income units must be in~~
6 ~~the same proportion as the number of bedrooms in units within the entire building; (iii) the low-~~
7 ~~income units and moderate income units shall generally be distributed throughout the building,~~
8 ~~except that they may be provided in an adjacent building; and (iv) the low income units and~~
9 ~~moderate income units shall have substantially the same functionality as the other units in the~~
10 ~~building or buildings. The Housing Director is authorized to prescribe by rule standards and~~
11 ~~procedures for determining compliance with the requirements of this subsection 8. The Housing~~
12 ~~Director is further authorized to adopt policies for distribution of unit sizes in housing~~
13 ~~developments funded by contributions received under this section.~~

14 ~~9. References in this subsection B to a Certificate of Occupancy for a project~~
15 ~~mean the first Certificate of Occupancy issued by the City for the project, whether temporary or~~
16 ~~permanent.~~

17 ~~C. Cash Option Payments.~~

18 ~~1. On July 1, 2014 and on the same day annually thereafter the alternative cash~~
19 ~~contribution amount in subsection 23.49.015.B.1.b shall automatically adjust in proportion to the~~
20 ~~change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area,~~
21 ~~All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor~~
22 ~~Statistics, or successor index, from December 31, 2013 or the time the alternative cash~~
23 ~~contribution was last adjusted, whichever is later.~~

1 ~~2. Cash payments under voluntary agreements for bonuses shall be made prior to~~
2 ~~issuance, and as a condition to issuance, of any building permit after the first building permit for~~
3 ~~a project, and in any event before any permit for any construction activity other than excavation~~
4 ~~and shoring is issued, unless the applicant elects in writing to defer payment. If the applicant~~
5 ~~elects to defer payment, then the issuance of any certificate of occupancy for the project shall be~~
6 ~~conditioned upon payment of the full amount of the cash payment determined under this Section,~~
7 ~~plus an interest factor equal to that amount multiplied by the increase, if any, in the Consumer~~
8 ~~Price Index, All Urban Consumers, West Region, All Items, 1962=64=100, as published~~
9 ~~monthly, from the last month prior to the date when payment would have been required if~~
10 ~~deferred payment had not been elected, to the last month for which data are available at the time~~
11 ~~of payment. If the index specified in this subsection is not available for any reason, the Director~~
12 ~~shall select a substitute cost of living index. In no case shall the interest factor be less than zero~~
13 ~~(0). All payments under this Section shall be deposited in special accounts established solely to~~
14 ~~fund capital expenditures for the affordable housing for low income households.~~

15 ~~D. No Subsidies for Bonused Housing: Exception.~~

16 ~~1. Intent. Housing provided through the bonus system is intended to mitigate a~~
17 ~~portion of the additional low income housing needs resulting from increased high-rise market~~
18 ~~rate housing development, beyond those needs that would otherwise exist, which the City and~~
19 ~~other governmental and charitable entities attempt to meet through various subsidy programs.~~
20 ~~Allowing bonus development under the performance option for housing that uses such subsidy~~
21 ~~programs therefore could undermine the intent of this section.~~

22 ~~2. Agreement Concerning Subsidies. The Director of the Office of Housing may~~
23 ~~require, as a condition of any bonus floor area for housing under the performance option, that the~~

1 ~~owner of the lot upon which the low income housing is located agree not to seek or accept any~~
2 ~~subsidies, including without limitation those items referred to in subsection D3 of this section,~~
3 ~~related to the housing, except for any subsidies that may be allowed by the Director of the Office~~
4 ~~of Housing under that subsection. The Housing Director may require that such agreement~~
5 ~~provide for the payment to the City, for deposit in an appropriate account to be used for~~
6 ~~Downtown low income housing, of the value of any subsidies received in excess of any amounts~~
7 ~~allowed by such agreement.~~

8 ~~3. No Bonus for Subsidized or Restricted Housing. In general, no bonus may be~~
9 ~~earned by providing housing if:~~

10 ~~a. Any person is receiving or will receive with respect to the housing any~~
11 ~~charitable contributions or public subsidies for housing development or operation, including, but~~
12 ~~not limited to, tax exempt bond financing, tax credits, federal loans or grants, City of Seattle~~
13 ~~housing loans or grants, county housing funds, State of Washington housing funds, or property~~
14 ~~tax exemptions or other special tax treatment; or~~

15 ~~b. The housing is or would be, independent of the requirements for the~~
16 ~~bonus, subject to any restrictions on the use, occupancy or rents.~~

17 ~~4. Exceptions by Rule. The Director of the Office of Housing may provide, by~~
18 ~~rule promulgated after the effective date of this ordinance, for terms and conditions on which~~
19 ~~exceptions to the restriction on subsidies in this subsection may be allowed. Such rule may~~
20 ~~provide that, as a condition to any exception, the Director of the Office of Housing shall increase~~
21 ~~the amount of floor area of low income housing or moderate income housing per square foot of~~
22 ~~bonus development, otherwise determined pursuant to subsection B of this section, to an amount~~
23 ~~that allows credit for only the Director's estimate of the incremental effect, in meeting the City's~~

1 ~~housing needs for the next fifty (50) years, of the net financial contribution that is being made by~~
2 ~~the applicant pursuant to the voluntary agreement and not funded or reimbursed, directly or~~
3 ~~indirectly, from any other source.))~~

4 Section 32. Section 23.49.023 of the Seattle Municipal Code, last amended by Ordinance
5 125603, is amended as follows:

6 **23.49.023 Extra residential floor area and hotel floor area in South Downtown;**
7 **transferable development potential (TDP); limits on TDP sending sites**

8 * * *

9 B. Means to achieve extra residential floor area((-))

10 1. Except as provided in subsection 23.49.023.B.2, if the maximum height limit
11 for residential use is 95 feet or lower, the applicant shall use housing bonus residential floor area,
12 as defined in subsection 23.58A.004.B, to achieve all extra residential floor area on the lot. If the
13 maximum height limit for residential use is greater than 95 feet, the applicant shall use housing
14 bonus residential floor area, as defined in subsection 23.58A.004.B, to achieve 60 percent of the
15 total extra residential floor area on the lot. To the extent permitted under the provisions of the
16 zone, the applicant shall achieve 40 percent of extra residential floor area through one or more of
17 the following ~~((programs))~~:

18 a. ~~((bonus))~~ Bonus residential floor area for amenities pursuant to Section
19 23.58A.040; and/or

20 b. ~~((transfer))~~ Transfer of transferable residential development potential
21 pursuant to Section 23.58A.042; and/or

22 c. ~~((bonus))~~ Bonus residential floor area for contributing structures
23 pursuant to subsection 23.49.023.C.

Average residential gross floor area per story and maximum residential gross floor area per story of a tower ¹			
(1) Zone	(2) Average residential gross floor area limit per story of a tower if height does not exceed the base height limit for residential use	(3) Average residential gross floor area limit per story of a tower if height exceeds the base height limit for residential use	(4) Maximum residential floor area of any story in a tower
DMC 240/290-440 and DMC 340/290-440	10,000 square feet	10,700 square feet	11,500 square feet
DOC2	15,000 square feet	12,700 square feet	16,500 square feet
DOC1	15,000 square feet	14,800 square feet	16,500 square feet
Footnote to Table B for 23.49.058			
¹ For the height at which a "tower" begins, see the definition in subsection 23.49.058.A.			

1 a. For structures that do not exceed the base height limit for residential
 2 use, each tower is subject to the average floor area per story limits specified in column (2) on
 3 Table B for 23.49.058.

4 b. For structures that exceed the base height limit for residential use
 5 ~~((which requires that the applicant obtain bonus residential floor area pursuant to Section~~
 6 ~~23.49.015))) according to Chapter 23.58A, the average residential gross floor area per story of~~
 7 each tower is subject to the applicable maximum limit specified in column (3) on Table B for
 8 23.49.058.

9 c. In no instance shall the residential gross floor area of any story in a
 10 tower exceed the applicable maximum limit specified in column (4) on Table B for 23.49.058.

11 d. Unoccupied space provided for architectural interest pursuant to
 12 subsection 23.49.008.B shall not be included in the calculation of gross floor area.

13 2. Maximum tower width

1 a. In DMC zones, the maximum facade width for portions of a building
2 above 85 feet along the general north/south axis of a site (parallel to the Avenues) shall be 120
3 feet or 80 percent of the width of the lot measured on the Avenue, whichever is less, except that:

4 1) On a lot where the limiting factor is the 80 percent width limit,
5 the maximum facade width is 120 feet, if at all elevations above a height of 85 feet, no more than
6 50 percent of the area of the lot located within 15 feet of the street lot line(s) is occupied by the
7 structure; and

8 2) On lots smaller than 10,700 square feet that are bounded on all
9 sides by street right-of-way, the maximum facade width shall be 120 feet.

10 b. In DOC2 zones, the maximum facade width for portions of a building
11 above 85 feet along the general north/south axis of a site (parallel to the Avenues) shall be 145
12 feet.

13 c. In DOC1, the maximum facade width for portions of a building above
14 85 feet along the general north/south axis of a site (parallel to the Avenues) shall be 160 feet.

15 d. The projection of unenclosed decks and balconies, and architectural
16 features such as cornices, shall be disregarded in calculating the maximum width of a facade.

17 * * *

18 Section 36. Section 23.49.164 of the Seattle Municipal Code, last amended by Ordinance
19 125603, is amended as follows:

20 **23.49.164 Downtown Mixed Residential, maximum width, depth and separation**
21 **requirements**

22 * * *

23 C. Housing option((-))

1 1. On lots with ~~((structures that contained low income housing on or before~~
2 ~~September 11, 1988, and that meet the requirements of subsection 23.49.164.C.4))~~ low-income
3 housing, the width above a height of 65 feet of portions of structures that are located less than 20
4 feet from a street lot line shall not exceed 120 feet per block front. This maximum applies to the
5 width as measured parallel to the street lot line. Portions of structures, measured parallel to the
6 street lot line, that are located 20 feet or more from the street lot line, have no maximum limit.

7 2. If the housing option is used, no portions of the structure may be located in the
8 area within 20 feet of the intersection of street lot lines between heights of 65 feet and 145 feet.

9 3. If the housing option is used, each story in portions of structures between
10 heights of 65 feet and 145 feet shall have a maximum gross floor area of 25,000 square feet or
11 the lot coverage limitation, whichever is less. The 25,000 square foot limit shall apply separately
12 to portions of the same structure that are not connected above 65 feet.

13 ~~((4. In order to use the housing option, housing on the lot shall be subject to an~~
14 ~~agreement with the City that contains the following conditions and any other provisions~~
15 ~~necessary to ensure compliance:~~

16 a. ~~The demolition or change of use of the housing shall be prohibited for~~
17 ~~not less than 50 years from the date a final certificate of occupancy is issued for the commercial~~
18 ~~development on the lot; and~~

19 b. ~~If the housing is or was rental housing on or before September 11, 1988,~~
20 ~~it shall be used as rental housing for not less than 50 years from the date a final certificate of~~
21 ~~occupancy is issued for the commercial development of the lot; and~~

22 c. ~~The structure will be brought up to and maintained in conformance with~~
23 ~~Chapters 22.200 through 22.208; and~~

1 ~~d. Housing that is or was low income housing on or before September 11,~~
2 ~~1988, shall be maintained as low income housing for not less than 50 years from the date a final~~
3 ~~certificate of occupancy is issued for the commercial development on the lot.~~

4 ~~5. Housing that is preserved according to this Section 23.49.164 does not qualify~~
5 ~~for a downtown housing bonus or for transfer of development rights.))~~

6 D. Facade width limits and separation requirements in South Downtown. On a lot in a
7 DMR/C zone in South Downtown, the following standards apply:

8 1. For the portion of a structure 75 feet in height or less, the maximum width of a
9 street-facing facade is 250 feet.

10 2. For the portion of a structure above 75 feet in height, the maximum width of a
11 street-facing facade is 120 feet.

12 3. At all levels above 75 feet in height, separate structures on a lot and separate
13 portions of the same structure must be separated at all points by a minimum horizontal distance
14 of 20 feet, or as specified in subsections 23.49.164.D.4 and 23.49.164.D.5 for structures
15 separated by a mid-block corridor.

16 4. At all levels above 45 feet and up to 95 feet in height, structures separated by a
17 mid-block corridor must be separated at all points by a minimum horizontal distance of 45 feet,
18 unless subsection 23.49.164.D.6 applies.

19 5. At all levels above 95 feet in height, structures separated by a mid-block
20 corridor must be separated at all points by a minimum horizontal distance of 55 feet, unless
21 subsection 23.49.164.D.6 applies.

1 6. If a mid-block corridor abuts a side lot line that is not a street lot line, at all
2 levels above 45 feet structures on that lot must set back from that side lot line at all points by a
3 minimum horizontal distance of 45 feet.

4 7. Waiver or modification of requirements, limits, and standards.

5 ((a.)) For developments in the International Special Review District, the
6 Director may waive or modify the requirements, limits, and standards referred to in subsection
7 23.49.164.D.2 and 23.49.164.D.3 as a Type I decision if, upon consultation with the Director of
8 Neighborhoods and Director of Housing, the Director determines that waiving or modifying a
9 requirement, limit, or standard will ~~((increase availability of affordable housing meeting the~~
10 ~~provisions of subsection 23.49.164.D.7.b and will))~~ facilitate development of low-income
11 housing and better meet the goals and objectives of Section 23.66.302.

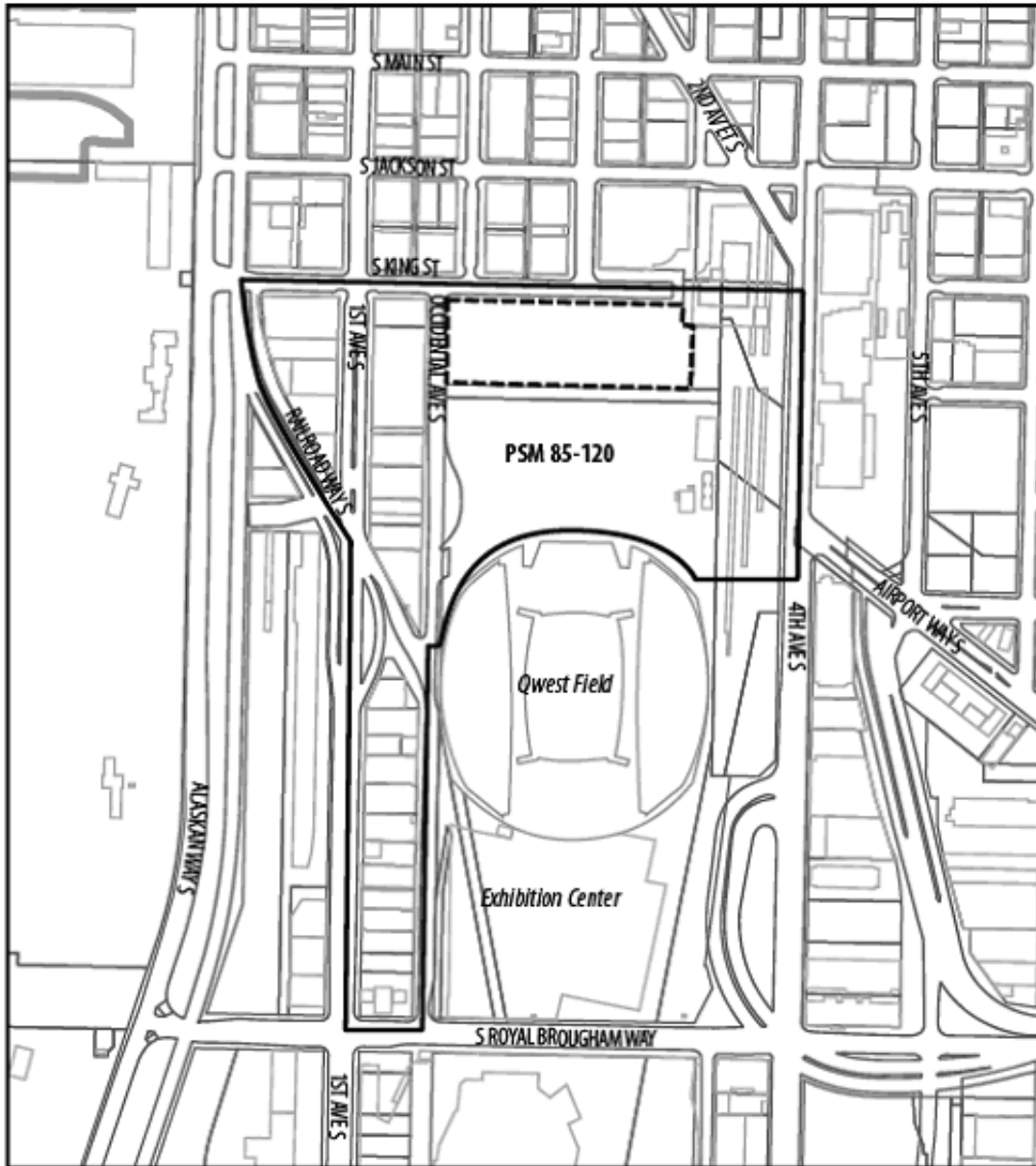
12 ~~((b. For purposes of this subsection 23.49.164.D.7, housing is affordable if~~
13 ~~it receives public funding and/or an allocation of federal low income housing tax credits, and is~~
14 ~~subject to a regulatory agreement, covenant, or other legal instrument recorded on the property~~
15 ~~title and enforceable by The City of Seattle, Washington State Housing Finance Commission,~~
16 ~~State of Washington, King County, U.S. Department of Housing and Urban Development, or~~
17 ~~other similar entity as approved by the Director of Housing, which restricts at least 40 percent of~~
18 ~~the units to occupancy by households earning no greater than 60 percent of median income, and~~
19 ~~controls the rents that may be charged, for a minimum period of 40 years.))~~

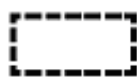
20 Section 37. Section 23.49.180 of the Seattle Municipal Code, last amended by Ordinance
21 125558, is amended as follows:

22 **23.49.180 Additional height in the PSM 85-120 zone**

1 A. General (~~Intent~~) intent. This (~~section~~) Section 23.49.180 applies to the area
2 identified on Map A for 23.49.180 within the Pioneer Square Preservation District if an applicant
3 elects to develop a project using the height limits in (~~Section~~) subsection 23.49.178.E.3. The
4 purpose of this (~~section~~) Section 23.49.180 is to provide added flexibility through an increase
5 in the maximum height limit by providing for affordable housing, as defined in Section
6 23.58A.004, to promote a high density, mixed use(~~, and mixed income~~) development that (~~can~~
7 ~~contribute~~) contributes to the vitality of Pioneer Square.

Map A for 23.49.180



 Area where additional height is permitted according to the provisions of Section 23.49.180 of the Seattle Municipal Code

1
2

1 C. Lot area. If the applicant uses the height provisions of subsection 23.49.180.B to gain
2 additional height above the otherwise applicable height limit, the entire area identified on Map A
3 for 23.49.180, including any areas provided as open area or setbacks, or dedicated as street right
4 of way, shall be used to determine compliance with applicable provisions of this ~~((section))~~
5 Section 23.49.180 and ~~((Section 23.49.181))~~ Chapter 23.58A.

6 * * *

7 E. Floor area ratio (FAR)

8 1. Base and maximum FAR. The base FAR for all uses on a lot, except for those
9 uses expressly exempted, is 4. The maximum FAR for all uses on a lot, except for those uses
10 expressly exempted, is 8.

11 2. Limit on non-residential FAR. Non-residential chargeable floor area on a lot
12 may not exceed an FAR of 4.

13 3. Affordable housing incentive ~~((program))~~. Development that includes
14 residential use may exceed the base FAR, subject to the maximum FAR according to subsection
15 23.49.180.E.1, to the extent ~~((the applicant qualifies for))~~ bonus floor area is achieved by
16 providing affordable housing according to ~~((Section 23.49.181, subject to the FAR limit in~~
17 ~~subsection 23.49.180.E.1))~~ Chapter 23.58A.

18 4. Exemptions and deductions from FAR calculations

19 a. The exemptions and deductions from FAR calculations specified in
20 subsection 23.49.011.B apply, except that residential use is not exempt and is considered
21 chargeable floor area.

22 b. In addition to the exemptions from floor area calculations for parking in
23 subsection 23.49.011.B.1.1, enclosed parking provided at or above grade as accessory parking for

1 non-residential uses or as flexible-use parking replacing the surface spaces existing on the lot on
2 June 25, 1998, is exempt from FAR calculations if it is separated from all streets abutting the lot
3 by another use or is screened according to the provisions of subsection 23.49.180.G.9.

4 c. Street-level uses other than residential lobbies are exempt if they meet
5 the requirements of subsection 23.49.180.F.

6 * * *

7 Section 38. Section 23.49.181 of the Seattle Municipal Code, last amended by Ordinance
8 126685, is repealed:

9 ~~((23.49.181 Bonus floor area for affordable housing in the PSM 85-120 zone~~

10 ~~A. Purpose; Scope of provisions; State law controlling. This Section 23.49.181~~
11 ~~establishes an affordable housing incentive program for development on lots zoned PSM 85-120~~
12 ~~that are subject to FAR limits pursuant to the provisions of Section 23.49.180. Chargeable floor~~
13 ~~area in addition to the base FAR is allowed for development that includes residential use, to the~~
14 ~~extent that the applicant qualifies by providing low income housing, in accordance with this~~
15 ~~Section 23.49.181 and subject to the provisions of Section 23.49.180. In case of any~~
16 ~~irreconcilable conflict between the terms of this Section 23.49.181 and the authority granted in~~
17 ~~RCW 36.70A.540, as it may be amended, the provisions of RCW 36.70A.540, as it may be~~
18 ~~amended, shall supersede and control. Unless the context otherwise clearly requires, references~~
19 ~~to RCW 36.70A.540 in this Section 23.49.181 mean that section in effect on the date as of which~~
20 ~~the provisions of this Title 23 apply to the application for a use permit for the project using the~~
21 ~~bonus floor area.~~

22 B. Permitting conditions

1 ~~1. Master Use Permit. The Master Use Permit application to establish any bonus~~
2 ~~floor area under this Section 23.49.181 shall include a calculation of the total amount of bonus~~
3 ~~floor area sought and shall identify the quantity and type of affordable housing to be provided to~~
4 ~~satisfy the conditions to such bonus floor area. The application shall include the proposed~~
5 ~~location of the affordable housing. If any of the affordable housing is proposed to be within the~~
6 ~~area defined on Map A for Section 23.49.180 where additional height is permitted, the~~
7 ~~application shall include the location of the affordable housing within that area and its~~
8 ~~distribution within the proposed building(s). If any of the affordable housing is not to be~~
9 ~~provided within the area defined on Map A for Section 23.49.180 where additional height is~~
10 ~~permitted, the application shall include the address, legal description, dimensions and ownership~~
11 ~~of the other lot(s), and the approval of the Director of Housing for the affordable housing to be~~
12 ~~provided on the other lot(s), pursuant to subsection 23.49.181.E.3. The Director shall, at the time~~
13 ~~of issuance of any Master Use Permit decision approving any bonus floor area, issue a Type I~~
14 ~~decision as to the amount of bonus floor area to be allowed and the conditions to such bonus~~
15 ~~floor area. A declaration signed by the applicant and any other owners of the lot(s) on which the~~
16 ~~project using the bonus floor area is to be built and any other owners, or persons with control, of~~
17 ~~the lot(s) where the affordable housing will be located, on a form approved by the Director,~~
18 ~~specifying the amount of bonus floor area, the legal descriptions of the lot where the bonus floor~~
19 ~~area will be used and each other lot where affordable housing will be located, and the conditions,~~
20 ~~must be executed and recorded as a condition to issuance of the Master Use Permit for a~~
21 ~~development to include bonus floor area. If a change in the total bonus floor area to be~~
22 ~~developed, or a change in the location of the affordable housing approved by the Director of~~
23 ~~Housing pursuant to subsection 23.49.181.E.3, results in adjustment to one or more conditions,~~

1 ~~the declaration and any related conditions of the Master Use Permit may be amended, with the~~
2 ~~written approval of the Director, as a Type I decision. In requesting amendment of a declaration~~
3 ~~under this subsection 23.49.181.B and any related conditions of the Master Use Permit, the~~
4 ~~applicant may elect, consistent with subsection 23.76.026.E, that the provisions of this Section~~
5 ~~23.49.181 as in effect on the date of the Director's action on that request, rather than any earlier~~
6 ~~date applicable under Section 23.76.026, apply for purposes of the amendment to the Master Use~~
7 ~~Permit.~~

8 ~~2. First Building Permit.~~

9 ~~a. Except as otherwise provided in this subsection 23.49.181.B.2.a, prior~~
10 ~~to issuance, and as a condition to issuance, of the first building permit for a structure using bonus~~
11 ~~floor area, the owner of each lot that will include the affordable housing for that bonus floor area~~
12 ~~shall execute and record an agreement in a form acceptable to the Director of Housing that shall~~
13 ~~commit to provide that affordable housing, and shall run with the land to bind successors. The~~
14 ~~applicant shall submit an acceptable agreement, fully signed, as part of the building permit~~
15 ~~application, and if there is any change in ownership or if the location at which any affordable~~
16 ~~housing is to be provided is modified pursuant to subsection 23.49.181.B.1 prior to the issuance~~
17 ~~of the building permit, the new owners or any other owners of the lot(s) where the affordable~~
18 ~~housing is to be provided, or both, as applicable, shall execute the agreement or an addendum,~~
19 ~~substitute or separate agreement, acceptable to the Director of Housing. This subsection~~
20 ~~23.49.181.B.2.a does not apply with respect to bonus floor area that is based on an amount of~~
21 ~~affordable housing for which a certification by the Director of Housing is delivered pursuant to~~
22 ~~subsection 23.49.181.B.3.~~

1 ~~b. If the affordable housing is to be located on any lot(s) not owned by the~~
2 ~~applicant, then the applicant shall demonstrate that the applicant is providing the affordable~~
3 ~~housing on the other lot(s) in connection with the applicant's project, as set forth below in this~~
4 ~~subsection 23.49.181.B.2.b. Prior to issuance, and as a condition to issuance, of the first building~~
5 ~~permit for a structure using bonus floor area, the applicant shall provide to the Director of~~
6 ~~Housing a copy of a signed and binding linkage agreement, acceptable to the Director of~~
7 ~~Housing, with the owner(s) or person(s) in control of those lots, pursuant to which only the~~
8 ~~applicant has the right to claim such housing for purposes of bonus development under this~~
9 ~~Section 23.49.181 or any other bonus or benefit under this Title 23, and shall demonstrate that~~
10 ~~the applicant has made a financial contribution to the affordable housing, or has promised such~~
11 ~~contribution in that linkage agreement and has provided to the City an irrevocable, unconditional~~
12 ~~letter of credit to ensure its payment, in form and content satisfactory to the Director of Housing,~~
13 ~~in either case in an amount determined by the Director of Housing to be, when reduced by the~~
14 ~~value of any expected benefits to be received for such contribution other than the bonus~~
15 ~~development, approximately equal to the subsidy gap for construction in South Downtown of at~~
16 ~~least the minimum amount of affordable housing determined under this Section 23.49.181 for the~~
17 ~~amount of bonus floor area sought by the applicant. The Director of Housing may require that~~
18 ~~one or more parties to a linkage agreement enter into an agreement with the City to establish~~
19 ~~performance criteria to be met in the development of the affordable housing, to provide for~~
20 ~~control of the financial contribution from the applicant to ensure its use for the affordable~~
21 ~~housing, and to provide for its use for alternative affordable housing if performance criteria are~~
22 ~~not met. The Director of Finance is authorized to establish any funds or accounts that the~~
23 ~~Director of Housing may deem necessary for the deposit of funds under any agreement~~

1 ~~authorized in this subsection 23.49.181.B.2.b., and to make disbursements from such funds or~~
2 ~~accounts as directed by the Director of Housing, but the monies in such funds or accounts shall~~
3 ~~not become property of the City unless applied against obligations owing to the City, and the~~
4 ~~expenditure of those monies on any project or contract shall not cause it to be treated as a public~~
5 ~~work or contract of the City.~~

6 ~~3. Effect of Certification by Director of Housing. If the Director of Housing~~
7 ~~certifies to the Director that either (a) the applicant has provided the City with (i) a satisfactory~~
8 ~~linkage agreement; (ii) evidence of a sufficient financial contribution, a letter of credit, or other~~
9 ~~sufficient security pursuant to subsection 23.49.181.B.2.b; and (iii) such other agreements as the~~
10 ~~Director of Housing requires pursuant to subsection 23.49.181.B.2.b, all sufficient for purposes~~
11 ~~of providing a specified amount of affordable housing consistent with this Section 23.49.181; or~~
12 ~~(b) there have been recorded one or more agreements or instruments satisfactory to the Director~~
13 ~~of Housing providing for occupancy and affordability restrictions on affordable housing with the~~
14 ~~minimum floor area determined under this Section 23.49.181 for the amount of bonus floor area~~
15 ~~sought by the applicant, all affordable housing has been completed, and the affordable housing~~
16 ~~either is on a different lot from the bonus floor area or is located in one or more condominium~~
17 ~~units separate from the bonus floor area under condominium documents acceptable to the~~
18 ~~Director of Housing; then any failure of the affordable housing to be completed or to satisfy the~~
19 ~~requirements of subsection 23.49.181.E shall not affect the right to maintain or occupy the bonus~~
20 ~~floor area and shall not cause the applicant or owner of the lot with the bonus floor area to be in~~
21 ~~violation of this Title 23. If all conditions to the certification in clause (a)(i) and (a)(iii) of this~~
22 ~~subsection 23.49.181.B.3, but not clause (a)(ii), are satisfied, the Director of Housing may~~
23 ~~deposit a certification with an escrow agent, with irrevocable instructions to date and deliver the~~

1 ~~certification when the escrow agent holds the necessary funds for delivery to an appropriate~~
2 ~~account as a contribution to the affordable housing, and delivery of the certification by the~~
3 ~~escrow agent shall then have the same effect as certification by the Director of Housing on the~~
4 ~~date of that delivery.~~

5 C. Findings. Pursuant to the authority of RCW 36.70A.540, the City finds that the higher
6 ~~income levels specified in the definition of "income eligible households" in this Section~~
7 ~~23.49.181, rather than those stated in the definition of "low income households" in RCW~~
8 ~~36.70A.540, are needed to address local housing market conditions in the area to which this~~
9 ~~Section 23.49.181 applies.~~

10 D. Defined Terms. For purposes of this Section 23.49.181:

11 1. ~~"Affordable housing" means a unit or units of low income housing provided as~~
12 ~~a condition to bonus floor area.~~

13 2. ~~"Base FAR" or "base floor area ratio" means a FAR of 4.~~

14 3. ~~"Bonus floor area" means all chargeable floor area allowed in addition to the~~
15 ~~base FAR.~~

16 4. ~~"Income eligible households" means:~~

17 a. ~~In the case of rental housing, households with incomes no higher than~~
18 ~~80 percent of median income as defined in Section 23.84A.025.~~

19 b. ~~In the case of owner occupancy housing units, households with incomes~~
20 ~~no higher than the median income as defined in Section 23.84A.025.~~

21 5. ~~"Low income housing" means housing that serves income eligible households~~
22 ~~as determined in subsection 23.49.181.E.~~

1 6. "Net bonus floor area" means gross square footage of bonus floor area,
2 multiplied by an efficiency factor of 80 percent.

3 E. Affordable housing

4 1. Amount. An applicant using bonus floor area shall provide an amount of net
5 rentable floor area of low-income housing, applicable to units for sale or rent, equal to at least
6 17.5 percent of the net bonus floor area obtained. For purposes of this subsection 23.49.181.E,
7 "net rentable floor area" is equal to 80 percent of the gross floor area of the low-income housing.

8 2. Serving income-eligible households. For the purposes of this Section
9 23.49.181, a housing unit serves income-eligible households only if either:

10 a. For a period of 50 years beginning upon the issuance of a final
11 certificate of occupancy by the Seattle Department of Construction and Inspections for the
12 affordable housing, the housing is used as rental housing solely for income-eligible households at
13 rent limited so that annual housing costs, including rent and basic utilities, do not exceed 30
14 percent of 80 percent of median income, and the housing unit and the structure in which it is
15 located are maintained in decent and habitable condition, including basic appliances in the
16 housing unit; or

17 b. The unit is sold for owner-occupancy to an income-eligible household
18 at an initial sale price limited so that the annual housing costs, including mortgage principal and
19 interest, real estate taxes, insurance, plus homeowner dues if applicable, are not expected to
20 exceed 35 percent of median income, according to a calculation based on reasonable assumptions
21 and approved by the Director of Housing, and the unit is subject to a recorded instrument
22 satisfactory to the Director of Housing with a term extending until 50 years after the issuance of
23 a final certificate of occupancy by the Seattle Department of Construction and Inspections for the

1 ~~structure using the bonus floor area for which that affordable housing is provided, providing for~~
2 ~~sales prices on any resale consistent with affordability on the same basis as the initial sale,~~
3 ~~allowing resales only to income eligible households, and requiring that upon any resale, the~~
4 ~~housing unit be in decent and habitable condition, including adequate basic appliances in the~~
5 ~~housing unit.~~

6 ~~3. Location, size, and other requirements. Affordable housing may be provided~~
7 ~~within the area defined on Map A for 23.49.180 where additional height is permitted.~~
8 ~~Alternatively, affordable housing may be provided on one or more different lots within South~~
9 ~~Downtown, subject to approval by the Director of Housing under the criteria in this subsection~~
10 ~~23.49.181.E and to the conditions in subsection 23.49.181.B.2. Approval requires a~~
11 ~~determination by the Director of Housing that the affordable housing will (a) provide a public~~
12 ~~benefit; and (b) be more affordable than market rents or sale prices, as applicable, for housing in~~
13 ~~South Downtown. The affordable housing shall be provided in a range of unit sizes consistent~~
14 ~~with RCW 36.70A.540 and comply with all requirements of RCW 36.70A.540.~~

15 ~~4. Time of completion. Unless affordable housing is to be provided on a lot other~~
16 ~~than that of the project using the bonus and the Director of Housing has made all approvals~~
17 ~~described in subsections 23.49.181.B.2 and 23.49.181.E.3, the affordable housing shall be~~
18 ~~completed and ready for occupancy at or before the time when a certificate of occupancy is~~
19 ~~issued for any bonus floor area that is based on the affordable housing and as a condition to any~~
20 ~~right of the applicant to such a certificate of occupancy.~~

21 ~~5. No subsidies for affordable housing; exceptions~~

22 ~~a. In general, and except as may be otherwise required by applicable~~
23 ~~federal or state law, no bonus floor area may be earned by providing affordable housing if:~~

1 ~~1) Any person is receiving or will receive with respect to the~~
2 ~~housing any charitable contributions or public subsidies for housing development or operation,~~
3 ~~including, but not limited to, tax exempt bond financing, low income housing tax credits, federal~~
4 ~~loans or grants, City of Seattle housing loans or grants, county housing funds, and State of~~
5 ~~Washington housing funds; or~~

6 ~~2) The housing is or would be, independent of the requirements for~~
7 ~~the bonus floor area, subject to any restrictions on the income of occupants, rents or sale prices.~~

8 ~~b. As exceptions to the general rule in subsection 23.49.181.E.5.a:~~

9 ~~1) All affordable housing provided as a condition to bonus floor~~
10 ~~area within the area defined on Map A for 23.49.180 where additional height is permitted may~~
11 ~~consist wholly or in part of the same units used to satisfy terms under which the lot or a portion~~
12 ~~thereof was transferred by a public body, and any units of affordable housing provided as a~~
13 ~~condition to bonus floor area on a lot outside the area defined on Map A for 23.49.180 where~~
14 ~~additional height is permitted, may consist wholly or in part of the same units used to satisfy~~
15 ~~terms under which the lot or a portion thereof was transferred by a public body;~~

16 ~~2) The improvements on the lot may qualify for, and affordable~~
17 ~~housing provided as a condition to bonus floor area may consist wholly or in part of the same~~
18 ~~units used to satisfy conditions of, property tax exemptions pursuant to Chapter 5.73; and~~

19 ~~3) The prohibition on public subsidies for affordable housing does~~
20 ~~not include Internal Revenue Code Section 45D, New Markets Tax Credits.~~

21 ~~c. The Director of Housing may require, as a condition of any bonus floor~~
22 ~~area, that the owner of the lot upon which the affordable housing is located agree not to seek or~~
23 ~~accept any subsidies, other than as described in subsection 23.49.181.E.5.b, related to housing.~~

1 ~~The Director of Housing may require that such agreement provide for the payment to the City,~~
2 ~~for deposit in an appropriate sub-fund or account, of the value of any subsidies received in~~
3 ~~excess of any amounts allowed by such agreement.~~

4 ~~d. As an exception to the restriction on subsidies, the Director of Housing~~
5 ~~may allow the building or buildings in which the affordable housing is located to be financed in~~
6 ~~part with subsidies based on determinations that:~~

7 ~~1) the total amount of affordable housing is at least 300 net~~
8 ~~residential square feet greater than the minimum amount of affordable housing that would be~~
9 ~~needed to satisfy the conditions of this Section 23.49.181;~~

10 ~~2) the public benefit of the affordable housing net of those~~
11 ~~subsidies, as measured through an economic analysis, exceeds the public benefit from the~~
12 ~~minimum amount of affordable housing; and~~

13 ~~3) the subsidies being allowed would not be sufficient to leverage~~
14 ~~private funds for production of the affordable housing, under restrictions required in this Section~~
15 ~~23.49.181, without additional City subsidy.~~

16 ~~6. Agreements and approvals. The Director of Housing is authorized to accept and~~
17 ~~execute agreements and instruments to implement this Section 23.49.181. Except with respect to~~
18 ~~bonus floor area based on an amount of affordable housing for which a certification by the~~
19 ~~Director of Housing is delivered pursuant to subsection 23.49.181.B.3, issuance of the Master~~
20 ~~Use Permit, building permit, or certificate of occupancy for the project using the bonus floor area~~
21 ~~may be conditioned on satisfactory agreements and instruments signed by applicants and other~~
22 ~~owners. An applicant or prospective applicant may request, and the Director of Housing may~~
23 ~~provide, a determination that a linkage agreement or security arrangement, or both, would satisfy~~

1 ~~specific provisions of this Section 23.49.181, whether or not an applicant has proposed a specific~~
2 ~~development to use bonus floor area, but no such approval or agreement shall affect the~~
3 ~~determination, under Chapter 23.76 or other applicable law, of the date as of which any~~
4 ~~development regulations apply to a permit application.~~

5 ~~7. Reports and fees. An applicant for bonus floor area shall pay a review fee and~~
6 ~~the housing owner shall provide annual reports to the Office of Housing. Fees shall be paid in~~
7 ~~accordance with the applicable fee ordinance item or Section 22.900G.015.~~

8 ~~F. Identification of bonus floor area. The floor area that constitutes bonus floor area under~~
9 ~~this Section 23.49.181 shall be determined according to the order in which Master Use Permits~~
10 ~~are issued to establish the chargeable floor area, with the base FAR allocable to the earlier~~
11 ~~Master Use Permits. Within a structure or structures developed under a single Master Use Permit~~
12 ~~that involves both base floor area and bonus floor area:~~

13 ~~1. If the complete applications for building permits for construction, not including~~
14 ~~any permits limited to excavation and shoring, are submitted at different times, then unless~~
15 ~~otherwise specifically identified in the Master Use Permit application and approved by the~~
16 ~~Director, the base floor area shall be allocated first to the structure or structures for which the~~
17 ~~earlier complete building permit applications are submitted; and~~

18 ~~2. If the complete applications for building permits for construction, not including~~
19 ~~any permits limited to excavation and shoring, are submitted at the same time, then unless~~
20 ~~otherwise specifically identified in the Master Use Permit application and approved by the~~
21 ~~Director, the bonus floor area shall be the chargeable floor area, excluding any affordable~~
22 ~~housing, in the highest stories in the structure or structures, and if only a portion of a story~~

1 ~~consists of bonus floor area, it shall be allocated to each portion of that story in proportion to its~~
2 ~~chargeable floor area, excluding any affordable housing, within that story.~~

3 ~~G. Obligation of Owners.~~

4 ~~1. Except as otherwise expressly provided in subsection 23.49.181.B.3, any owner~~
5 ~~of bonus floor area shall be in violation of this Title 23 if:~~

6 ~~a. any housing units to be provided as affordable housing for that bonus~~
7 ~~floor area are not timely completed and ready for occupancy, or are not subject to a recorded~~
8 ~~instrument binding on the owner thereof as provided in this Section 23.49.181; or~~

9 ~~b. at any time during the period specified in subsection 23.49.180.E.2, any~~
10 ~~rental housing unit provided or to be provided under this Section 23.49.181 for that bonus floor~~
11 ~~area does not serve income eligible households; or~~

12 ~~c. any housing unit provided or to be provided as affordable housing for~~
13 ~~owner occupancy for that bonus floor area under subsection 23.49.181.E.2.b is initially~~
14 ~~transferred other than in a sale to an income eligible household, and subject to a recorded~~
15 ~~instrument, consistent with that subsection 23.49.181.E.2.b.~~

16 ~~2. Any owner of a housing unit provided or to be provided as affordable housing~~
17 ~~in accordance with this Section 23.49.181 shall be in violation of this Title 23 if either:~~

18 ~~a. for a rental housing unit, at any time during the period specified in~~
19 ~~subsection 23.49.181.E.2 it does not serve income eligible households within the meaning of that~~
20 ~~subsection 23.49.181.E.2; or~~

21 ~~b. in the case of a unit provided or to be provided for owner occupancy,~~
22 ~~the owner causes or permits the transfer of the unit, or of the right to occupy the unit, or any offer~~

1 ~~for any transfer, contrary to the terms of a recorded instrument then in effect pursuant to this~~
 2 ~~Section 23.49.181.~~

3 ~~H. Rules. The Director, in consultation with the Director of Housing, is authorized to~~
 4 ~~adopt rules to interpret and implement provisions of this Section 23.49.181.))~~

5 Section 39. Tables B and D for Section 23.54.015 of the Seattle Municipal Code, which
 6 section was last amended by Ordinance 126685, is amended as follows:

7 **23.54.015 Required parking and maximum parking limits**

8 * * *

Table B for 23.54.015	
Required parking for residential uses	
Use	Minimum parking required
I. General residential uses	
A. Adult family homes	1 space for each dwelling unit
B. Artist's studio/dwellings	1 space for each dwelling unit
C. Assisted living facilities	1 space for each 4 assisted living units; plus 1 space for each 2 staff members on-site at peak staffing time; plus 1 barrier-free passenger loading and unloading space
D. Caretaker's quarters	1 space for each dwelling unit
E. Congregate residences	1 space for each 4 sleeping rooms
F. Cottage housing developments ⁴	1 space for each dwelling unit
G. Floating homes	1 space for each dwelling unit
H. Mobile home parks	1 space for each mobile home lot as defined in Chapter 22.904
I. Multifamily residential uses, except as otherwise provided in this Table B for 23.54.015 ^{1,4}	1 space per dwelling unit, or 1 space for each 2 small efficiency dwelling units
J. Nursing homes	1 space for each 2 staff doctors; plus 1 additional space for each 3 employees; plus 1 space for each 6 beds
K. Single-family dwelling units ^{2,4}	1 space for each dwelling unit
II. Residential use requirements for specific areas	

L.	All residential uses within urban centers or within the Station Area Overlay District ¹	No minimum requirement
M.	All residential uses in commercial, RSL, and multifamily zones within urban villages that are not within urban center or the Station Area Overlay District, if the residential use is located within a frequent transit service area ^{1,3}	No minimum requirement
N.	Multifamily residential uses within the University of Washington parking impact area shown on Map A for 23.54.015 ¹	1 space per dwelling unit for dwelling units with fewer than 2 bedrooms; plus 1.5 spaces per dwelling units with 2 or more bedrooms; plus 0.25 spaces per bedroom for dwelling units with 3 or more bedrooms
O.	Multifamily dwelling units, within the Alki area shown on Map B for 23.54.015 ¹	1.5 spaces for each dwelling unit

~~((III. Multifamily residential use requirements with rent and income criteria~~

P.	For each dwelling unit rent and income restricted at or below 80 percent of the median income ^{1,4}	No minimum requirement))
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Footnotes to Table B for 23.54.015

¹ The minimum amount of parking prescribed by Part I of Table B for 23.54.015 does not apply if a use, structure, or development qualifies for a greater or a lesser amount of minimum parking, including no parking, under any other provision of this Section 23.54.015. If more than one (~~such~~) provision (~~may apply~~) in this Table B for 23.54.015 is applicable, the provision requiring the least amount of minimum parking applies, except that if item O in Part II of Table B for 23.54.015 applies, it shall supersede any other (~~applicable~~) requirement in Part I or Part II of this Table B for 23.54.015. (~~The minimum amount of parking prescribed by Part III of Table B for 23.54.015 applies to individual units within a use, structure, or development instead of any requirements in Parts I or II of Table B for 23.54.015.~~)

² No parking is required for single-family residential uses on lots in any residential zone that are less than 3,000 square feet in size or less than 30 feet in width where access to parking is permitted through a required yard or setback abutting a street according to the standards of subsections 23.44.016.B.2, 23.45.536.C.2, or 23.45.536.C.3.

³ Except as provided (~~in Part III of Table B for 23.54.015~~) in Footnote 4, the minimum amounts of parking prescribed by Part I of Table B for 23.54.015 apply within 1,320 feet of the Fautleroy Ferry Terminal.

⁴ (~~Dwelling units qualifying for parking reductions according to Part III of Table B for 23.54.015 shall be subject to a recorded restrictive housing covenant or recorded regulatory agreement that includes rent and income restrictions at or below 80 percent of median income, without a minimum household income requirement. The housing covenant or regulatory agreement including rent and income restrictions qualifying the development for parking reductions according to Part III of Table B for 23.54.015 shall be for a term of at least 15 years from the date of issuance of the certificate of occupancy and shall be recorded with the King County Recorder, signed and acknowledged by the owner(s), in a form prescribed by the Director of Housing. If these provisions are applied to a development for housing for persons~~

~~55 or more years of age, such housing shall have qualified for exemptions from prohibitions against discrimination against families with children and against age discrimination under all applicable fair housing laws and ordinances.) For each moderate-income unit and each low-income unit, no minimum amount of parking is required.~~

* * *

**Table D for 23.54.015
 Parking for bicycles ¹**

Use	Bike parking requirements		
	Long-term	Short-term	
* * *			
D. RESIDENTIAL USES ³			
D.1	Congregate residences ⁴	1 per sleeping room	1 per 20 sleeping rooms. 2 spaces minimum
D.2	((Multi-family)) Multifamily structures other than townhouse and rowhouse developments ^{4, 5}	1 per dwelling unit	1 per 20 dwelling units
D.3	Single-family residences	None	None
D.4	Townhouse and rowhouse developments ⁵	1 per dwelling unit	None
((D.5	Permanent supportive housing	None	None))

* * *

Footnotes to Table D for 23.54.015

¹ Required bicycle parking includes long-term and short-term amounts shown in this Table D for 23.54.015.

² The Director may reduce short-term bicycle parking requirements for theaters and spectator sport facilities that provide bicycle valet services authorized through a Transportation Management Program. A bicycle valet service is a service that allows bicycles to be temporarily stored in a secure area, such as a monitored bicycle corral.

³ For residential uses, after the first 50 spaces for bicycles are provided, additional spaces are required at three-quarters the ratio shown in this Table D for 23.54.015.

⁴ For congregate residences or multifamily structures that are owned and operated by a not-for-profit entity serving seniors or persons with disabilities, or that are licensed by the State and provide supportive services for seniors or persons with disabilities, as a Type I decision, the Director shall have the discretion to reduce the amount of required bicycle parking to as few as zero if it can be demonstrated that residents are less likely to travel by bicycle.

⁵ ~~((For each dwelling rent and income restricted at))~~ In low-income housing, there is no minimum required long-term bicycle parking requirement for each unit subject to affordability limits no higher than 30 percent of median income ~~((and below, there is no minimum required long-term bicycle parking requirement. For each dwelling rent and income restricted at 60 percent to 31 percent of the median income, long-term bicycle parking requirements may be wholly or partially waived by the Director as a Type I decision if the waiver would result in additional rent and income restricted units meeting the requirements of this footnote to Table D for 23.54.015 and when a reasonable alternative such as in-unit vertical bicycle storage space is provided. The Directors of the Seattle Department of Construction and Inspections~~

~~and Seattle Department of Transportation are authorized to promulgate a joint Directors' Rule defining reasonable alternatives for long term bicycle parking that meets the standards of this footnote to Table D for 23.54.015. Dwelling units qualifying for this provision shall be subject to a housing covenant, regulatory agreement, or other legal instrument recorded on the property title and enforceable by The City of Seattle or other similar entity, which restricts residential unit occupancy to households at or below 60 percent of median income, without a minimum household income requirement. The housing covenant or regulatory agreement including rent and income restrictions shall be for a term of at least 40 years from the date of issuance of the certificate of occupancy and shall be recorded with the King County Recorder, signed and acknowledged by the owner(s), in a form prescribed by the Director of Housing or the Washington State Housing Finance Commission. If these provisions are applied to a development for housing for persons 55 or more years of age, such housing shall have qualified for exemptions from prohibitions against discrimination against families with children and against age discrimination under all applicable fair housing laws and ordinances)) and long-term bicycle parking requirements may be waived by the Director as a Type I decision for each unit subject to affordability limits greater than 30 percent of median income and no higher than 80 percent of median income if a reasonable alternative is provided (e.g., in-unit vertical bike storage).~~

⁶ The Director, in consultation with the Director of ~~((the Seattle Department of))~~ Transportation, may require more bicycle parking spaces based on the following factors: area topography; pattern and volume of expected bicycle users; nearby residential and employment density; proximity to the Urban Trails system and other existing and planned bicycle facilities; projected transit ridership and expected access to transit by bicycle; and other relevant transportation and land use information.

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Section 40. Section 23.58A.002 of the Seattle Municipal Code, last amended by Ordinance 125791, is amended as follows:

23.58A.002 Scope of chapter; general rules

A. ~~((This))~~ Consistent with subsections 23.58B.020.D and 23.58C.025.D, this Chapter 23.58A ((contains)) provides rules for ((incentive programs)) incentives in areas for which the provisions of the zone specifically refer to this Chapter 23.58A~~((-or in zones having))~~ , and in zones with an incentive zoning suffix. The provisions in this Chapter 23.58A specify conditions under which extra floor area may be allowed, as exceptions to the otherwise applicable floor area or base height limit, or both, subject to the maximum limits stated in the provisions of the zone and to all other applicable requirements and approvals. Nothing in this Chapter 23.58A

1 authorizes allowance of extra floor area, or the construction or use of any structure, contrary to
2 any other provisions of this Title 23 or Title 25. (~~Developments for which extra floor area is~~
3 ~~sought may be subject to conditions under other chapters and titles of the Seattle Municipal~~
4 ~~Code, including without limitation conditions imposed pursuant to Chapter 25.05, Environmental~~
5 ~~Policies and Procedures.~~))

6 B. The provisions of this Subchapter I apply generally to projects using any of the
7 incentive provisions in this Chapter 23.58A, unless otherwise expressly provided in the
8 applicable subchapter of this Chapter 23.58A or in the provisions of the zone.

9 C. Nothing in this Chapter 23.58A shall be construed to confer on any owner or
10 developer any development rights or property interests. The availability and terms of any
11 allowance of extra floor area depend on the regulations in effect on the relevant date for
12 consideration of a permit application for the project proposing to use such extra floor area,
13 pursuant to Section 23.76.026, notwithstanding any prior approvals, interpretations or
14 agreements by the Director, (~~Housing~~) Director of Housing, or other official regarding the
15 eligibility of any actual or proposed facility or feature to satisfy conditions for extra floor area.

16 D. In zones to which this Chapter 23.58A applies, low-income housing may achieve
17 bonus floor area according to provisions of the zone without meeting the requirements of this
18 Chapter 23.58A.

19 Section 41. Section 23.58A.003 of the Seattle Municipal Code, enacted by Ordinance
20 124172, is amended as follows:

21 **23.58A.003 Affordable housing (~~(incentive programs)~~) incentives: purpose and findings**

1 "Affordable housing" means ~~((a unit or units of housing))~~ restricted units provided as a
2 condition to bonus floor area that are affordable to and reserved solely for "income-eligible
3 households."

4 "Base FAR" ~~((or "Base floor area ratio"))~~ means base floor area ratio, which is the non-
5 residential floor area that may be allowed under the provisions of the zone limiting floor area,
6 expressed as a multiple of the lot area, without use of any bonuses, transfer of development
7 capacity, other incentive provisions, or any departures, waivers, variances or special exceptions.

8 * * *

9 "Extra residential floor area" means the gross floor area of all residential development
10 allowed in addition to a base height limit or base residential floor area limit, or both, under the
11 provisions of this Chapter 23.58A or under any other provisions of this Title 23 referring to
12 this Chapter 23.58A that allow a bonus or a transfer of development rights or development
13 capacity. It includes, without limitation, gross floor area in residential use in all stories wholly or
14 in part above the base height limit, and all bonus residential floor area. In the IDM 75/85-150
15 zone, hotel use in a ~~((mixed use))~~ mixed-use project may be counted as extra residential floor
16 area subject to subsection 23.49.023.A and subsection 23.49.208.E.

17 * * *

18 "Housing bonus residential floor area" means extra residential floor area allowed on
19 condition that ~~((low income))~~ affordable housing be provided, or that a payment in lieu thereof
20 be made, under ~~((subchapter))~~ Subchapter II of this Chapter 23.58A.

21 "Housing and child care bonus non-residential floor area" means extra non-residential
22 floor area allowed under ~~((subchapter))~~ Subchapter III of this Chapter 23.58A on condition that
23 ~~((low income))~~ affordable housing be provided or a payment in lieu of ~~((low income))~~ affordable

1 housing be made and that a child care facility be provided or a payment in lieu of a child care
2 facility be made.

3 "Income-eligible households" means:

4 1. For rental affordable housing units, except affordable housing units ~~((of))~~ with
5 net unit area equal to or less than 400 ~~((or fewer net))~~ square feet ~~((, or))~~ and sleeping rooms in a
6 congregate residence, households with annual incomes no higher than the lower of:

7 a. 80 percent of median income ~~((as defined in Section 23.84A.025))~~; or

8 b. ~~((the))~~ The maximum level permitted for rental housing units by RCW
9 36.70A.540 ~~((as))~~ in effect when the agreement for the ~~((housing to serve as))~~ affordable housing
10 is executed.

11 2. In the case of ~~((owner occupied))~~ ownership affordable housing units,
12 households with incomes no higher than the lesser of:

13 a. 100 percent of median income ~~((, as defined in Section 23.84A.025))~~, or

14 b. ~~((the))~~ The maximum level permitted for ~~((owner occupied))~~ owner
15 occupancy housing units by RCW 36.70A.540 ~~((as))~~ in effect when the agreement for the
16 ~~((housing to serve as))~~ affordable housing is executed.

17 3. For affordable housing units ~~((of))~~ with net unit area equal to or less than 400
18 ~~((or fewer net))~~ square feet ~~((, or))~~ and sleeping rooms in a congregate residence, households with
19 annual incomes no higher than 40 percent of median income ~~((as defined in Section~~
20 ~~23.84A.025))~~. For this purpose, the resident(s) of each sleeping room in a congregate residence
21 ~~((are regarded as a separate))~~ is one household.

1 "Payment option" means making a payment to the City in lieu of providing (~~low-~~
2 ~~income~~) affordable housing, child care, or any amenity or feature, (~~in order~~) to qualify for
3 bonus floor area.

4 "Performance option" means providing or committing to provide a physical facility, or a
5 portion or feature of a project, such as (~~low-income~~) affordable housing, (~~in order~~) to qualify
6 for bonus floor area.

7 * * *

8 Section 43. Section 23.58A.014 of the Seattle Municipal Code, last amended by
9 Ordinance 125791, is amended as follows:

10 **23.58A.014 Bonus residential floor area for affordable housing**

11 A. Scope; general rule. This Section 23.58A.014 applies to bonus residential floor area
12 for affordable housing allowed on lots for which applicable sections of this Title 23 expressly
13 refer to this Chapter 23.58A. To obtain bonus residential floor area for affordable housing, the
14 applicant may use the performance option, the payment option, or a combination of these
15 options, in accordance with this Section 23.58A.014 and subject to the provisions of the zone.
16 However, where the maximum allowable height under the applicable provisions of the zone is 85
17 feet or less, the applicant may only use the performance option.

18 B. Performance option

19 1. Amount of affordable housing. An applicant using the performance option shall
20 provide affordable housing units with (~~a gross floor~~) total net unit area measured according to
21 subsection 23.86.007.B at least equal to the greatest of:

22 a. 14 percent of the gross bonus residential floor area (~~obtained through~~
23 ~~the performance option, except that an applicant may elect to provide affordable housing equal to~~

1 ~~eight percent of the gross bonus residential floor area obtained through the performance option if~~
2 ~~the housing is affordable to, and restricted to occupancy by, households with incomes no higher~~
3 ~~than 50 percent of median income as defined by Section 23.84A.025))~~ achieved according to this
4 subsection 23.58A.014.B; or

5 b. 300 (~~net residential~~) square feet; or

6 c. (~~any~~) Any minimum floor area specified in the provisions of the zone.

7 The percentage of gross bonus residential floor area obtained through the
8 performance option to be provided as affordable housing may be reduced by the Council below
9 14 percent of the gross bonus residential floor area to no less than 12 percent of the gross bonus
10 residential floor area as a Type V decision on an official land use map amendment or text
11 amendment when the Council determines that the reduction is needed to accomplish
12 Comprehensive Plan goals and policies or to reflect economic conditions of the area. Applicants
13 may provide affordable housing as part of the development (~~using~~) that includes extra floor
14 area, or by providing or contributing to affordable housing at another location, subject to
15 requirements in subsection 23.58A.014.B.8 and approval in writing by the Director of Housing
16 prior to issuance of any permit after the first building permit for the development (~~using~~) that
17 includes the bonus residential floor area and before any permit for any construction activity other
18 than excavation and shoring for the development (~~using~~) that includes the bonus residential
19 floor area is issued.

20 2. Agreement. The City and the affordable housing owner shall enter into an
21 agreement specifying the affordable housing requirements under this subsection 23.58A.014.B.
22 This agreement shall be executed and recorded prior to issuance and as a condition to issuance of
23 any permit after the first building permit for the development (~~using~~) that includes the bonus

1 residential floor area and before any permit for any construction activity other than excavation
2 and shoring for the development (~~(using)~~) that includes the bonus residential floor area is issued.

3 If the first building permit is issued for the structural frame for the structure that includes
4 affordable housing according to this Section 23.58A.014 and such structure is acquired to
5 provide City-funded low-income housing, the agreement(s) according to this subsection
6 23.58A.014.B.2 and subsection 23.58A.014.B.6.b may be released at the sole discretion of the
7 Director of Housing.

8 3. Duration. Affordable housing shall serve only income-eligible households for a
9 minimum period of 50 years from the (~~(later of the date when the agreement between the housing~~
10 ~~owner and the City is recorded, or the)~~) date when a certificate of occupancy is issued for the
11 structure that includes the affordable housing (~~(becomes available for occupancy as determined~~
12 ~~by the City)~~).

13 4. Unit size and distribution. Affordable housing shall be provided in a range of
14 sizes comparable to those units that are available to other residents. To the extent practicable, the
15 (~~(number of bedrooms in)~~) affordable housing units must be in the same proportion as (~~(the~~
16 ~~number of bedrooms in)~~) total units (~~(within the entire)~~) in the development in terms of size and
17 configuration. The affordable housing units shall generally be distributed throughout the
18 development and have substantially the same functionality as the other units in the development.

19 5. Additional standards for rental housing(~~(-For rental housing:))~~)

20 a. (~~(monthly)~~) Monthly rent, including basic utilities, shall not exceed 30
21 percent of the applicable income limit for the affordable housing unit, all as determined by the
22 Director of Housing(~~(, for a minimum period of 50 years; and)~~) .

1 b. ~~((the housing owner shall submit a report to the Office of Housing~~
2 ~~annually that documents how the affordable housing meets the terms of the recorded~~
3 ~~agreement.))~~ Periodically as may be required by the Director of Housing, but no less than
4 annually, the owner of the affordable housing shall submit to the Office of Housing a written
5 report demonstrating compliance with and housing outcomes of this Section 23.58A.014. The
6 report shall include required information and supporting documentation, verified upon the
7 owner's oath or affirmation and in a form prescribed by the Office of Housing. The Director of
8 Housing is authorized to assess a late fee of \$50 per day, which shall accrue until the report is
9 submitted, starting 14 days from the date of the Office of Housing's notice that the report is
10 overdue.

11 c. The owner of the affordable housing shall pay the Office of Housing an
12 annual fee of \$190 per affordable housing unit for the purpose of monitoring compliance
13 according to this Section 23.58A.014. The fee shall automatically adjust annually on March 1,
14 starting in 2024, by an amount in proportion to the increase, if any, for January 1 through
15 December 31 of the prior calendar year, in the Consumer Price Index, All Urban Consumers,
16 Seattle-Tacoma-Bellevue, WA, All Items (1982-1984=100), as determined by the U.S.
17 Department of Labor, Bureau of Labor Statistics, or successor index, unless the Director of
18 Housing determines that a lower fee covers the cost of monitoring compliance.

19 6. Additional standards for ~~((owner occupied))~~ ownership housing((-))
20 ~~((For owner-occupied housing, the initial sale price of the unit and~~
21 ~~subsequent sale prices upon resale of))~~ a. Initial and resale prices for the affordable housing unit
22 ~~((during the 50-year affordability period))~~ shall be restricted to an amount determined by the
23 Director of Housing to be affordable to an income-eligible household~~((, such that the annualized~~

1 ~~housing payment for the unit does not exceed 35 percent of the annual income of an income-~~
2 ~~eligible household, adjusted by the household size expected to occupy the unit based on the~~
3 ~~number of bedrooms. The method to determine the sale price of the unit, subject to approval by~~
4 ~~the Director of Housing, includes mortgage principal and interest payments as calculated by~~
5 ~~prevailing interest rates, real estate taxes, insurance, homeowner association dues and any other~~
6 ~~housing cost deemed reasonable by the Director of Housing, and requirements relating to down-~~
7 ~~payment amount and homebuyer contributions)). The Office of Housing will establish by rule the
8 formula for calculating maximum affordable prices for initial sales and resales to allow modest
9 growth in homeowner equity while maintaining long-term affordability for income-eligible
10 buyers.~~

11 b. The affordable housing unit shall be subject to recorded instruments
12 satisfactory to the Director of Housing providing for limits on sale and resale prices ((~~on any~~
13 ~~resale consistent with the affordability restriction on the same basis)) according to Section
14 23.58A.004 for a minimum period of 50 years.~~

15 c. Periodically as may be required by the Director of Housing, but no less
16 than annually, the applicant or third-party stewardship entity, as applicable, shall submit to the
17 Office of Housing a written report demonstrating compliance with and housing outcomes of this
18 Section 23.58A.014. The report shall include required information and supporting
19 documentation, verified upon the owner's oath or affirmation and in a form prescribed by the
20 Office of Housing. The Director of Housing is authorized to assess a late fee of \$50 per day,
21 which shall accrue until the report is submitted, starting 14 days from the date of the Office of
22 Housing's notice that the report is overdue.

1 d. The owner of each ownership affordable housing unit shall pay to the
2 Office of Housing or third-party stewardship entity, as applicable, an annual fee payable in 12
3 equal payments for the purpose of monitoring compliance with this Section 23.58A.014. The fee
4 shall be established by the Director of Housing by rule.

5 7. Additional standards for on-site performance. If the affordable housing is
6 provided within the development ~~((using))~~ that includes the bonus residential floor area, the
7 affordable housing shall be completed and ready for occupancy at or before the time when a
8 certificate of occupancy is issued for any other units in the development ~~((using))~~ that includes
9 the bonus residential floor area, and as a condition to any right of the applicant to such a
10 certificate of occupancy.

11 8. Additional standards for off-site performance. If the affordable housing is not
12 provided within the development ~~((using))~~ that includes the bonus residential floor area, it may
13 be provided off-site according to the following standards:

14 a. ~~((Development that uses bonus residential floor area within the South~~
15 ~~Lake Union Urban Center must provide off-site))~~ Off-site affordable housing must be provided
16 within the South Lake Union Urban Center if the development that includes bonus residential
17 floor area is within the South Lake Union Urban Center. ~~((Outside))~~ If the development that
18 includes bonus residential floor area is outside the South Lake Union Urban Center, the
19 ~~((applicant shall demonstrate to the satisfaction of the Director of Housing that the))~~ off-site
20 affordable housing ~~((is located))~~ must be in Seattle city limits, in priority order, (1) within the
21 same urban center or village as the development ~~((using the bonus residential floor area or)),~~ (2)
22 within 1 mile of the development ~~((using the bonus residential floor area or that it is infeasible~~
23 ~~for the off-site affordable housing to be located within this area. If the affordable housing is not~~

1 ~~located within the same urban center or village as the development using the bonus residential~~
2 ~~floor area or within 1 mile of the development using the bonus residential floor area, it shall be:~~

3 ~~1) located within Seattle city limits and), (3) within 0.5 mile of a~~
4 ~~light rail or bus rapid transit station((;or~~

5 ~~2) if the applicant demonstrates that providing the affordable~~
6 ~~housing in such a location is also infeasible, then the Director of Housing may allow the~~
7 ~~affordable housing to be provided within Seattle city limits and)), or (4) within 0.25 mile of a bus~~
8 ~~or streetcar stop.~~

9 b. The applicant shall provide to the City an irrevocable letter of credit, or
10 other sufficient security approved by the Director of Housing, prior to issuance and as a
11 condition of issuance of any permit after the first building permit for the development ((~~using~~))
12 that includes the bonus residential floor area and before any permit for any construction activity
13 other than for excavation and shoring for the development is issued, unless completion of the
14 affordable housing has ((~~already~~)) been documented to the satisfaction of the Director of
15 Housing and the affordable housing is subject to recorded restrictions satisfactory to the Director
16 of Housing. The letter of credit or other security shall be in an amount equal to the ((~~Payment~~
17 ~~Option~~)) payment option amount calculated according to provisions in subsection 23.58A.014.C,
18 plus an amount equal to interest on such payment. The Director of Housing is authorized to
19 adopt, by rule, terms and conditions of such security including the amount of security and rate of
20 annual interest, conditions on which the City shall have a right to draw on the letter of credit or
21 other security, and terms should the City become entitled to realize on any such security.

1 c. Any failure of the affordable housing to satisfy the requirements of this
2 subsection 23.58A.014.B shall not affect the right to maintain or occupy the bonus residential
3 floor area if the Director of Housing certifies to the Director that either:

4 1) ~~((the))~~ The applicant has provided the City with a letter of credit
5 or other sufficient security pursuant to subsection 23.58A.014.B.8.b; or

6 2) ~~((there))~~ There have been recorded one or more agreements or
7 instruments satisfactory to the Director of Housing providing for occupancy and affordability
8 restrictions on affordable housing with the minimum floor area determined under this Section
9 23.58A.014, all affordable housing has been completed, and the affordable housing is on a
10 different lot from the bonus residential floor area or is in one or more condominium units
11 separate from the bonus residential floor area under condominium documents acceptable to the
12 Director of Housing.

13 d. Unless and until the Director of Housing shall certify as set forth in
14 subsection 23.58A.014.B.8.c, it shall be a continuing permit condition, whether or not expressly
15 stated, for each development obtaining bonus residential floor area based on the provision of
16 housing to which this Section 23.58A.014 applies, that the affordable housing shall be
17 maintained in compliance with the terms of this Section 23.58A.014 and any applicable
18 provisions of the zone, as documented to the satisfaction of the Director of Housing.

19 ~~((9. Limits on subsidies for affordable housing~~

20 a. ~~Except as allowed in subsections 23.58A.014.B.9.b and~~
21 ~~23.58A.014.B.9.c, no bonus residential floor area may be earned by providing affordable housing~~
22 ~~if:~~

1 ~~1) Any person is receiving or will receive with respect to the~~
2 ~~affordable housing any charitable contributions or public subsidies for development or operation,~~
3 ~~including, but not limited to, tax exempt bond financing, tax credits, federal loans or grants, City~~
4 ~~of Seattle housing loans or grants, county housing funds, and State of Washington housing funds;~~
5 ~~or~~

6 ~~2) The housing is or would be, independent of the requirements for~~
7 ~~the bonus residential floor area and Chapter 5.73, subject to any restrictions on the income of~~
8 ~~occupants, rents or sale prices.~~

9 ~~b. For the purpose of this subsection 23.58A.014.B.9, the qualification for~~
10 ~~and use of property tax exemptions pursuant to Chapter 5.73, or any other program implemented~~
11 ~~pursuant to chapter 84.14 RCW, does not constitute a subsidy and any related conditions~~
12 ~~regarding incomes, rent or sale prices do not constitute restrictions.~~

13 ~~c. As an exception to subsection 23.58A.014.B.9.a, the Director of Housing may~~
14 ~~allow the building or buildings in which the affordable housing is located to be financed in part~~
15 ~~with subsidies based on the determination that:~~

16 ~~1) the total amount of affordable housing is at least 300 net residential~~
17 ~~square feet greater than the amount otherwise required through the performance option under this~~
18 ~~Section 23.58A.014;~~

19 ~~2) the public benefit of the affordable housing, as measured through an~~
20 ~~economic analysis, exceeds the amount of the payment in lieu that would otherwise be paid by at~~
21 ~~least the value of any subsidies; and~~

22 ~~3) the subsidies being allowed would not be sufficient to leverage private~~
23 ~~funds for production of the affordable housing, under restrictions as required for the performance~~

1 ~~option, without additional City subsidy in an amount greater than the payment in lieu amount~~
2 ~~that would otherwise be paid.))~~ 9. Affordable housing; no other restrictions. Affordable housing
3 units provided according to this Section 23.58A.014 and restricted units provided for any other
4 reason, including but not limited to a property tax exemption or loans and grants, must be
5 different units.

6 10. ~~((Fees shall be paid by the applicant and owner of affordable housing to the~~
7 ~~Seattle Department of Construction and Inspections and the Office of Housing as specified under~~
8 ~~Chapter 22.900G.))~~ The applicant for a project that includes bonus floor area according to this
9 Section 23.58A.014 shall pay housing review fees according to Section 22.900G.015.

10 C. Payment option. The payment option is available only where the maximum height for
11 residential use under the provisions of the zone is more than 85 feet and only if the Director
12 determines that the payment achieves a result equal to or better than providing the affordable
13 housing on-site and the payment does not exceed the approximate cost of developing the same
14 number and quality of housing units that would otherwise be developed. The amount of the in-
15 lieu payment made at the time specified in subsection 23.58A.014.C.2 shall be based on the
16 payment amount ~~((that is))~~ in effect ~~((when))~~ on the vesting date ((of a)) for the Master Use
17 Permit ~~((occurs))~~ under Section 23.76.026 or, if a Master Use Permit is not required, on the filing
18 date for the valid and fully complete permit application.

19 1. Amount of payments

20 a. ~~((Except as provided in subsection 23.58A.014.C.1.b, in))~~ In lieu of all
21 or part of the performance option, an applicant may pay to the City ~~(((\$15.15))~~ \$29.15 per square
22 foot of gross bonus residential floor area. Cash payment amounts shall automatically adjust
23 according to subsection 23.58A.014.C.1.b.

1 b. ~~((In the South Lake Union Urban Center, in lieu of all or part of the~~
2 ~~performance option, an applicant may pay to the City \$21.68 per square foot of gross bonus~~
3 ~~residential floor area. On July 1, 2014, and on the same day annually thereafter the))~~ The in-lieu
4 payment amount in ((this)) subsection ((23.58A.014.C.1.b)) 23.58A.014.C.1.a shall
5 automatically adjust annually on March 1, starting in 2024, by an amount in proportion to ((the
6 change)) the increase, if any, for January 1 through December 31 of the prior calendar year, in
7 the Consumer Price Index, All Urban Consumers, Seattle-Tacoma-Bellevue, WA, All Items
8 (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or
9 successor index((, from the time the in-lieu payment was established or last adjusted)).

10 2. Timing of payments. Cash payments shall be made prior to issuance and as a
11 condition to issuance of any permit after the first building permit for a development and before
12 any permit for any construction activity other than excavation and shoring is issued, unless the
13 applicant elects in writing to defer payment. If the applicant elects to defer payment, then the
14 issuance of any certificate of occupancy for the development shall be conditioned upon payment
15 of the full amount of the cash payment determined under this Section 23.58A.014, plus an
16 ~~((interest factor))~~ inflation adjustment equal to that amount multiplied by the increase, if any, in
17 the Consumer Price Index, All Urban Consumers, ~~((West Region))~~ Seattle-Tacoma-Bellevue,
18 WA, All Items (1982-84=100), ((as published monthly,)) from the ((last prior to)) most recent
19 month for which data are available on or before the vesting date ((when payment would have
20 been required if deferred payment had not been elected)) for the Master Use Permit under
21 Section 23.76.126 or, if a Master Use Permit is not required, the filing date for the valid and fully
22 complete permit application, to the ((last)) most recent month for which data are available at the
23 time of payment. If the index specified in this subsection 23.58A.014.C.2 is not available for any

1 reason, the Director shall select a substitute cost of living index. In no case shall the (~~interest~~
2 ~~factor~~) inflation adjustment be less than zero.

3 3. Deposit and use of payments. Cash payments in lieu of affordable housing shall
4 be deposited in a special account established solely to support the development of housing for
5 income-eligible households as defined in this Chapter 23.58A. Earnings on balances in the
6 special account shall accrue to that account. The Director of Housing shall use cash payments
7 and any earnings thereon to support the development of housing for income-eligible households
8 in any manner now or hereafter permitted by RCW 36.70A.540. Uses of funds may include the
9 City's costs to administer housing for income-eligible households, not to exceed ten percent of
10 the payments into the special account. Housing for income-eligible households funded wholly or
11 in part with cash payments shall be located within the Seattle city limits.

12 * * *

13 Section 44. Section 23.58A.024 of the Seattle Municipal Code, last amended by
14 Ordinance 124919, is amended as follows:

15 **23.58A.024 Bonus non-residential floor area for affordable housing and child care**

16 A. Scope; general rule. This Section 23.58A.024 applies to bonus non-residential floor
17 area for affordable housing and child care allowed on lots for which applicable sections of this
18 Title 23 expressly refer to this Chapter 23.58A. To obtain bonus non-residential floor area for
19 affordable housing and child care, the applicant may use the performance option, the payment
20 option, or a combination of these options, in accordance with this Section 23.58A.024 and
21 subject to the provisions of the zone.

22 B. Performance option for housing

1 1. Amount of affordable housing. An applicant using the housing performance
2 option shall provide affordable housing units with ~~((a gross floor))~~ total net unit area, measured
3 according to subsection 23.86.007.B, at least equal to 15.6 percent of gross bonus non-residential
4 floor area ~~((obtained through the performance option))~~ achieved according to this subsection
5 23.58A.024.B.

6 2. Agreement. The City and the affordable housing owner shall enter into an
7 agreement specifying the affordable housing requirements under this subsection 23.58A.024.B.
8 This agreement shall be executed and recorded prior to issuance and as a condition to issuance of
9 any permit after the first building permit for the development ~~((using))~~ that includes the bonus
10 non-residential floor area and before any permit for any construction activity other than
11 excavation and shoring for the development is issued. If the first building permit is issued for the
12 structural frame for the structure that includes affordable housing according to this Section
13 23.58A.024 and such structure is acquired to provide City-funded low-income housing, the
14 agreement(s) according to this subsection 23.58A.024.B.2 and subsection 23.58A.024.B.6.b may
15 be released at the sole discretion of the Director of Housing.

16 3. Duration. Affordable housing shall serve only income-eligible households for a
17 minimum period of 50 years from the ~~((later of the date when the agreement between the housing~~
18 ~~owner and the City is recorded, or the))~~ date when a certificate of occupancy is issued, or if no
19 certificate of occupancy is required the date of the final building permit inspection, for the
20 affordable housing ((becomes available for occupancy as determined by the City)).

21 4. Unit size and distribution. Affordable housing shall be provided in a range of
22 sizes comparable to those units that are available to other residents. To the extent practicable, the
23 ~~((number of bedrooms in))~~ affordable housing units must be in the same proportion as ~~((the~~

1 ~~number of bedrooms in~~) total units ((within the entire)) in the development in terms of size and
2 configuration. The affordable units shall generally be distributed throughout the development
3 and have substantially the same functionality as the other units in the development.

4 5. Additional standards for rental housing(~~(-For rental housing:))~~)

5 a. (~~monthly~~) Monthly rent, including basic utilities, shall not exceed 30
6 percent of the applicable income limit for the affordable housing unit, all as determined by the
7 Director of Housing, for a minimum period of 50 years(~~(; and))~~ .

8 b. (~~the housing owner shall submit a report to the Office of Housing~~
9 ~~annually that documents how the affordable housing meets the terms of the recorded~~
10 ~~agreement.)) Periodically as may be required by the Director of Housing, but no less than
11 annually, the owner of the affordable housing shall submit to the Office of Housing a written
12 report demonstrating compliance with and housing outcomes of this Section 23.58A.024. The
13 report shall include required information and supporting documentation, verified upon the
14 owner's oath or affirmation and in a form prescribed by the Office of Housing. The Director of
15 Housing is authorized to assess a late fee of \$50 per day, which shall accrue until the report is
16 submitted, starting 14 days from the date of the Office of Housing's notice that the report is
17 overdue.~~

18 c. The owner of the affordable housing shall pay the Office of Housing an
19 annual fee of \$190 per affordable housing unit for the purpose of monitoring compliance
20 according to this Section 23.58A.024. The fee shall automatically adjust annually on March 1,
21 starting in 2024, by an amount in proportion to the increase, if any, for January 1 through
22 December 31 of the prior calendar year, in the Consumer Price Index, All Urban Consumers,

1 Seattle-Tacoma-Bellevue, WA, All Items (1982-1984=100), as determined by the U.S.
2 Department of Labor, Bureau of Labor Statistics, or successor index.

3 6. Additional standards for ~~((owner-occupied))~~ ownership housing~~((=))~~

4 ~~((For owner-occupied housing, the initial sale price of the unit and~~
5 ~~subsequent sale prices upon resale of))~~ a. Initial and resale prices for the affordable housing unit
6 ~~((during the 50-year affordability period))~~ shall be restricted to an amount determined by the
7 Director of Housing to be affordable to an income-eligible household~~((, such that the annualized~~
8 ~~housing payment))~~ for the unit does not exceed 35 percent of the annual income of an income-
9 eligible household, ~~adjusted by the household size expected to occupy the unit based on the~~
10 ~~number of bedrooms. The method to determine the sale price of the unit, subject to approval by~~
11 ~~the Director of Housing, includes mortgage principal and interest payments as calculated by~~
12 ~~prevailing interest rates, real estate taxes, insurance, homeowner association dues and any other~~
13 ~~housing cost deemed reasonable by the Director of Housing, and requirements relating to down-~~
14 ~~payment amount and homebuyer contributions)).~~ The Office of Housing will establish by rule the
15 formula for calculating maximum affordable prices for initial sales and resales to allow modest
16 growth in homeowner equity while maintaining long-term affordability for income-eligible
17 buyers.

18 b. The affordable housing unit shall be subject to recorded instruments
19 satisfactory to the Director of Housing providing for limits on sale and resale prices ~~((on any~~
20 ~~resale consistent with the affordability restriction on the same basis))~~ according to Section
21 23.58A.004 for a minimum period of 50 years.

22 c. Periodically as may be required by the Director of Housing, but no less
23 than annually, the applicant or third-party stewardship entity, as applicable, shall submit to the

1 Office of Housing a written report demonstrating compliance with and housing outcomes of this
2 Section 23.58A.024. The report shall include required information and supporting
3 documentation, verified upon the owner’s oath or affirmation and in a form prescribed by the
4 Office of Housing. The Director of Housing is authorized to assess a late fee of \$50 per day,
5 which shall accrue until the report is submitted, starting 14 days from the date of the Office of
6 Housing’s notice that the report is overdue.

7 d. The owner of each ownership affordable housing unit shall pay to the
8 Office of Housing or third-party stewardship entity, as applicable, an annual fee payable in 12
9 equal payments for the purpose of monitoring compliance with this Section 23.58A.024. The fee
10 shall be established by the Director of Housing by rule.

11 7. Additional standards for on-site performance. If the affordable housing is
12 provided within the development ~~((using))~~ that includes the bonus non-residential floor area, the
13 affordable housing shall be completed and ready for occupancy at or before the time when a
14 certificate of occupancy is issued for any chargeable floor area in the development ~~((using))~~ that
15 includes the bonus non-residential floor area, and as a condition to any right of the applicant to
16 such a certificate of occupancy.

17 8. Additional standards for off-site performance. If the affordable housing is not
18 provided within the development ~~((using))~~ that includes the bonus non-residential floor area, it
19 may be provided off-site according to the following standards:

20 a. ~~((Developments that use))~~ If the development that includes bonus non-
21 residential floor area is within the South Lake Union Urban Center ~~((shall provide))~~ , the off-site
22 affordable housing must be located within the South Lake Union Urban Center or within one
23 mile of the development ~~((using))~~ that includes the bonus non-residential floor area and no more

1 than 0.25 mile from the South Lake Union Urban Center boundary. ~~((Outside))~~ If the
2 development that includes bonus non-residential floor area is outside of the South Lake Union
3 Urban Center, the ~~((applicant shall demonstrate to the satisfaction of the Director of Housing that~~
4 ~~the))~~ off-site affordable housing ~~((is located))~~ must be in Seattle city limits, in priority order, (1)
5 within the same urban center or village as the development ~~((using the bonus residential floor~~
6 ~~area or))~~ , (2) within one mile of the development ~~((using the bonus non-residential floor area or~~
7 ~~that it is infeasible for the off-site affordable housing to be located within this area. If the~~
8 ~~affordable housing is not located within the same urban center or village as the development~~
9 ~~using the bonus residential floor area or within one mile of the development using the bonus non-~~
10 ~~residential floor area, it shall be located either:~~

11 ~~1) within the Seattle city limits and))~~ , (3) within 0.5 mile of a light
12 rail or bus rapid transit station~~((; or~~
13 ~~2) if the applicant demonstrates that providing the affordable~~
14 ~~housing in such a location is also infeasible, then the Director of Housing may allow the~~
15 ~~affordable housing to be provided in the city within the Seattle city limits and))~~ , or (4) within
16 0.25 mile of a bus or streetcar stop.

17 b. The applicant shall provide to the City an irrevocable letter of credit, or
18 other sufficient security approved by the Director of Housing, prior to and as a condition of
19 issuance of any permit after the first building permit for the development ~~((using the))~~ that
20 includes bonus nonresidential floor area and before any permit for construction activity other
21 than excavation and shoring is issued, unless completion of the affordable housing has
22 ~~((already))~~ been documented to the satisfaction of the Director of Housing and the affordable
23 housing is subject to recorded restrictions satisfactory to the Director of Housing. The letter of

1 credit or other security shall be in an amount equal to the payment option amount calculated
2 according to provisions in subsection 23.58A.024.D, plus an amount equal to interest on such
3 payment. The Director of Housing is authorized to adopt, by rule, terms and conditions of such
4 security including the amount of security and rate of annual interest, conditions on which the
5 City shall have a right to draw on the letter of credit or other security, and terms should the City
6 become entitled to realize on any such security.

7 c. Any failure of the affordable housing to satisfy the requirements of this
8 subsection 23.58A.024.B shall not affect the right to maintain or occupy the bonus nonresidential
9 floor area if the Director of Housing certifies to the Director that either:

10 1) ~~((the))~~ The applicant has provided the City with a letter of credit
11 or other sufficient security pursuant to subsection 23.58A.024.B.8.b; or

12 2) ~~((there))~~ There have been recorded one or more agreements or
13 instruments satisfactory to the Director of Housing providing for occupancy and affordability
14 restrictions on affordable housing with the minimum floor area determined under this Section
15 23.58A.024, all affordable housing has been completed, and the affordable housing is on a
16 different lot from the bonus nonresidential floor area or is in one or more condominium units
17 separate from the bonus ~~((development))~~ nonresidential floor area under condominium
18 documents acceptable to the Director of Housing.

19 d. Unless and until the Director of Housing certifies as set forth in
20 subsection 23.58A.024.B.8.c, it shall be a continuing permit condition, whether or not expressly
21 stated, for each development obtaining bonus nonresidential floor area based on the provision of
22 housing to which this Section 23.58A.024 applies, that the affordable housing shall be

1 maintained in compliance with the terms of this Section 23.58A.024 and any applicable
2 provisions of the zone, as documented to the satisfaction of the Director of Housing.

3 ~~((9. Limits on subsidies for affordable housing~~

4 ~~a. Except as allowed in subsection 23.58A.014.B.9.b and~~
5 ~~23.58A.014.B.9.c, no bonus nonresidential floor area may be earned by providing affordable~~
6 ~~housing if:~~

7 ~~1) Any person is receiving or will receive with respect to the~~
8 ~~affordable housing any charitable contributions or public subsidies for housing development or~~
9 ~~operation, including, but not limited to, tax exempt bond financing, tax credits, federal loans or~~
10 ~~grants, City of Seattle housing loans or grants, county housing funds, and State of Washington~~
11 ~~housing funds; or~~

12 ~~2) The housing is or would be, independent of the requirements for~~
13 ~~the bonus nonresidential floor area and Chapter 5.73, subject to any restrictions on the income of~~
14 ~~occupants, rents or sale prices.~~

15 ~~b. For the purpose of this subsection 23.58A.024.B.9, the qualification for~~
16 ~~and use of property tax exemptions pursuant to Chapter 5.73, or any other program implemented~~
17 ~~pursuant to RCW 84.14, does not constitute a subsidy and any related conditions regarding~~
18 ~~incomes, rent or sale prices do not constitute restrictions.~~

19 ~~c. As an exception to subsection 23.58A.024.B.9.a.1, the Director of~~
20 ~~Housing may allow the building or buildings in which the affordable housing is located to be~~
21 ~~financed in part with subsidies based on the determination that:~~

1 23.76.026 or, if no Master Use Permit is required, on the filing date for the valid and fully
2 complete permit application.

3 a. (~~Except as provided in subsection 23.58A.024.D.1.b, in~~) In lieu of all
4 or part of the performance option for affordable housing, an applicant may provide a cash
5 contribution to the City of (~~(\$18.75)~~) \$33.31 per (~~(gross)~~) square foot of gross bonus
6 nonresidential floor area, if the Director of Housing determines that the payment achieves a
7 result equal to or better than providing the low-income housing on-site and the payment does not
8 exceed the approximate cost of developing the same number and quality of housing units that
9 would otherwise be developed. In lieu of all or part of the performance option for child care, the
10 applicant may provide a cash contribution to the City of (~~(\$3.25)~~) \$5.76 per (~~(gross)~~) square foot
11 of gross bonus nonresidential floor area to be used for child care facilities, to be administered by
12 the Human Services Department. Cash payment amounts shall automatically adjust according to
13 subsection 23.58A.024.D.1.b.

14 (~~(b. Affordable housing and child care in the South Lake Union Urban~~
15 ~~Center.~~

16 ~~1) In lieu of all or part of the performance option for affordable~~
17 ~~housing an applicant may provide a cash contribution to the City for affordable housing~~
18 ~~according to the following schedule:~~

19 ~~a) From the effective date of Council Bill 117603 to~~
20 ~~December 31, 2013, \$20.82 per gross square foot of bonus nonresidential floor area;~~

21 ~~b) From January 1, 2014 to June 30, 2014, \$22.88 per gross~~
22 ~~square foot of bonus nonresidential floor area;~~

1 ~~e) July 1, 2014 to June 30, 2015, the sum of \$24.95 per~~
2 ~~gross square foot of bonus nonresidential floor area plus the product of \$24.95 per gross square~~
3 ~~foot of bonus nonresidential floor area times the 2013 annual average change in the Consumer~~
4 ~~Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 =~~
5 ~~100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor~~
6 ~~index; and~~

7 ~~d) On July 1, 2015 and on the same day annually thereafter~~
8 ~~the in-lieu payment amount in this subsection 23.58A.024.D.1.b.1 shall automatically adjust in~~
9 ~~proportion to the change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma~~
10 ~~metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor,~~
11 ~~Bureau of Labor Statistics, or successor index, from January 1, 2014, or the time the in-lieu~~
12 ~~payment was last adjusted, whichever is later.~~

13 ~~2) In lieu of all or part of the performance option for child care, an~~
14 ~~applicant may provide a cash contribution to the City to be used for child care facilities, to be~~
15 ~~administered by the Human Services Department, according to the following schedule:~~

16 ~~a) From the effective date of Council Bill 117603 to~~
17 ~~December 31, 2013, \$3.61 per gross square foot of bonus nonresidential floor area;~~

18 ~~b) From January 1, 2014 to June 30, 2014, \$3.97 per gross~~
19 ~~square foot of bonus nonresidential floor area;~~

20 ~~e) July 1, 2014 to June 30, 2015, the sum of \$4.32 per gross~~
21 ~~square foot of bonus nonresidential floor area plus the product of \$4.32 per gross square foot of~~
22 ~~bonus nonresidential floor area times the 2013 annual average change in the Consumer Price~~

1 ~~Index, All Urban Consumers, Seattle Tacoma metropolitan area, All Items (1982-84 = 100), as~~
2 ~~determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index; and~~

3 ~~e) On July 1, 2015 and on the same day annually thereafter~~
4 ~~the in lieu payment amount in this subsection 23.58A.024.D.1.b.2 shall automatically adjust in~~
5 ~~proportion to the change in the Consumer Price Index, All Urban Consumers, Seattle Tacoma~~
6 ~~metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor,~~
7 ~~Bureau of Labor Statistics, or successor index, from January 1, 2014, or the time the in lieu~~
8 ~~payment was last adjusted, whichever is later.)~~ b. The in lieu cash contribution amounts for
9 affordable housing and child care shall automatically adjust annually on March 1, starting in
10 2024, by an amount in proportion to the increase, if any, for January 1 through December 31 of
11 the prior calendar year, in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma-
12 Bellevue, WA, All Items (1982-1984=100), as determined by the U.S. Department of Labor,
13 Bureau of Labor Statistics, or successor index.

14 2. Timing of payments. Cash payments shall be made prior to issuance and as a
15 condition to issuance of any permit after the first building permit for a development (~~using the~~)
16 that includes bonus nonresidential floor area and before any permit for any construction activity
17 other than excavation and shoring is issued.

18 3. Deposit and use of payments. Cash payments in lieu of affordable housing and
19 child care facilities shall be deposited in special accounts established solely to support the
20 development of housing for income-eligible households and child care facilities. Earnings on
21 balances in the special accounts shall accrue to those accounts.

22 a. The Director of Housing shall use cash payments in lieu of affordable
23 housing and any earnings thereon to support the development of housing for income-eligible

1 households in any manner now or hereafter permitted by RCW 36.70A.540. Uses of funds may
2 include the City's costs to administer the housing for income-eligible households, not to exceed
3 ((10)) ten percent of the payments into the special accounts. Housing for income-eligible
4 households funded wholly or in part with cash payments shall be located within the Seattle city
5 limits.

6 b. The Director of Human Services ((~~Director~~)) shall use cash payments in
7 lieu of child care and any earnings thereon to support the development or expansion of child care
8 facilities within 0.5 mile of the development using the bonus nonresidential floor area, or in
9 another location, consistent with an applicable voluntary agreement, where the child care facility
10 addresses the additional need created by that development. Child care facilities supported with
11 cash payments may be publicly or privately owned, and if privately owned shall be committed to
12 long-term use as child care under such agreements or instruments as the Director of Human
13 Services ((~~Director~~)) deems appropriate. The Director of Human Services ((~~Director~~)) shall
14 require that child care facilities supported with cash payments and their operators satisfy
15 applicable licensing requirements, and may require compliance with other provisions applicable
16 to child care facilities provided under the performance option, with such modifications as the
17 Director of Human Services ((~~Director~~)) deems appropriate.

18 * * *

19 Section 45. Section 23.58A.042 of the Seattle Municipal Code, last amended by
20 Ordinance 125432, is amended as follows:

21 **23.58A.042 Transferable development potential (TDP) and rights (TDR)**

22 * * *

23 B. General standards for sending lots

1 1. TDP calculation. The maximum amount of TDP floor area that may be
2 transferred from a sending lot is the amount by which the residential floor area allowed under the
3 ~~((base floor area ratio (FAR)))~~ base FAR, or floor area that could be allowed under the base
4 residential height as determined by the Director if no base residential floor area exists, exceeds
5 the sum of:

- 6 a. Any nonexempt floor area existing on the sending lot; plus
- 7 b. Any TDP or TDR previously transferred from the sending lot.

8 2. TDR calculation. The maximum amount of TDR floor area that may be
9 transferred from a sending lot is the amount by which the non-residential floor area allowed
10 under the base FAR of the sending lot exceeds the sum of:

- 11 a. Any nonexempt floor area existing on the sending lot; plus
- 12 b. Any TDP or TDR previously transferred from the sending lot.

13 3. Floor area limit after transfer. After TDP or TDR is transferred from a sending
14 lot, the total amount of residential and non-residential floor area that may then be established on
15 the sending lot, other than floor area exempt from limits on floor area under the provisions of the
16 zone, shall be as follows:

17 a. The amount of residential floor area that may be established shall be the
18 base residential floor area, or floor area that could be allowed under the base residential height as
19 determined by the Director if no base residential floor area exists, plus any net amount of TDP
20 previously transferred to that lot, minus the total of the existing nonexempt floor area on the lot
21 and the amount of TDP or TDR transferred from the lot; and

22 b. The amount of non-residential floor area that may be established shall
23 be the base non-residential floor area, plus any net amount of TDR previously transferred to that

1 lot, minus the total of the existing nonexempt floor area on the lot and the amount of TDP or
2 TDR transferred from the lot.

3 * * *

4 E. Standards for housing TDR sending lots

5 1. Housing on lots from which housing TDR is transferred shall be rehabilitated to
6 the extent required to provide decent, sanitary, and habitable conditions, in compliance with
7 applicable codes, and so as to have an estimated minimum useful life of at least 50 years from
8 the time of the TDR transfer, as approved by the Director of Housing. If housing TDR is
9 proposed to be transferred prior to the completion of work necessary to satisfy this subsection
10 23.58A.042.E, the Director of Housing may require, as a condition to such transfer, that security
11 be deposited with the City to ensure the completion of such work.

12 2. ~~((The housing units on a lot from which housing TDR is transferred, and that
13 are committed to affordable housing))~~ Restricted units provided as a condition to ~~((eligibility of
14 the lot as a TDR sending site,))~~ transfer of development rights shall be generally comparable in
15 their average size and quality of construction to other ~~((housing))~~ units in the same structure, in
16 the judgment of the Director of Housing, after completion of any rehabilitation or construction
17 undertaken in order to qualify as a TDR sending lot.

18 3. For transfers of housing TDR, the owner of the sending lot shall execute and
19 record an agreement, with the written consent of all holders of encumbrances on the sending lot,
20 unless such consent is waived by the Director of Housing for good cause, to provide for the
21 maintenance of the required housing on the sending lot for a minimum of 50 years. Such
22 agreement shall commit to limits on rent and occupancy consistent with the definition of housing
23 TDR site and acceptable to the Director of Housing.

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Section 46. Section 23.58B.010 of the Seattle Municipal Code, last amended by Ordinance 125233, is amended as follows:

23.58B.010 Intent for implementation

Section 1 of ~~((Council Bill 118854))~~ Ordinance 125233 provides a statement of intent for implementation of this Chapter 23.58B that generally addresses the Council’s intent as to an initial implementation phase of this Chapter 23.58B, the setting and changing of payment and performance amounts during that initial implementation phase, review of ~~((program performance))~~ outcomes, the amendment of payment and performance amounts after the initial implementation phase, and the establishment of additional processes for modifying dimensional development standards and/or payment and performance amounts.

Section 47. Section 23.58B.020 of the Seattle Municipal Code, last amended by Ordinance 125791, is amended as follows:

23.58B.020 Applicability and general requirements

* * *

~~C. ((Commercial development is exempt from the requirements according to this Chapter 23.58B if the structure containing commercial uses also contains floor area in residential use that is publicly funded and/or has received an allocation of federal low income housing tax credits, and is subject to a regulatory agreement, covenant, or other legal instrument recorded on the property title and enforceable by The City of Seattle, Washington State Housing Finance Commission, State of Washington, King County, U.S. Department of Housing and Urban Development, or other similar entity as approved by the Director of Housing, (1) which restricts at least 40 percent of the residential units to occupancy by households earning no greater than 60~~

1 ~~percent of median income, and controls the rents that may be charged, for a minimum period of~~
2 ~~40 years, or (2) which restricts at least 40 percent of the residential units to be sold to households~~
3 ~~earning no greater than 80 percent of median income, for a minimum period of 50 years. The~~
4 ~~sale price for sales subsequent to the initial sale shall be calculated to allow modest growth in~~
5 ~~homeowner equity while maintaining long term affordability for future buyers. All buyers of~~
6 ~~such an ownership unit subsequent to the initial sale shall be households with incomes no greater~~
7 ~~than 80 percent of median income at initial occupancy.)) Exemption. Low-income housing that
8 includes floor area in commercial use is exempt from the requirements of this Chapter 23.58B.~~

9 D. Relationship to incentive zoning. Where the provisions of the zone refer to this
10 Chapter 23.58B and where bonus non-residential floor area or extra non-residential floor area
11 may be achieved according to the provisions of the zone and/or Chapter 23.58A, the following
12 provisions apply:

13 1. All requirements to provide (~~low income housing, or~~) affordable housing (~~(as~~
14 ~~defined in Chapter 23.58A, for achieving)) to gain bonus non-residential floor area or extra non-
15 residential floor area according to the provisions of the zone and/or Chapter 23.58A shall be
16 satisfied solely by compliance with this Chapter 23.58B.~~

17 2. Any non-housing requirements for achieving bonus non-residential floor area
18 or extra non-residential floor area shall be satisfied according to the provisions of the zone and/or
19 Chapter 23.58A.

20 Section 48. Section 23.58B.025 of the Seattle Municipal Code, last amended by
21 Ordinance 125233, is amended as follows:

22 **23.58B.025 Permit documentation**

23 A. General

1 1. For any development to which this Chapter 23.58B applies, the Master Use
2 Permit application and the first building permit application that includes the structural frame for
3 the structure shall include the following:

4 a. The amount of the cash contribution to be provided for affordable
5 housing impact mitigation, if the applicant elects the payment option according to Section
6 23.58B.040.

7 b. The total ~~((square feet))~~ net unit area, measured according to subsection
8 23.86.007.B, of ((housing required to be)) MHA-C units provided according to subsection
9 23.58B.050.A(~~(, measured as net unit area,))~~ and a proposal for MHA-C ~~((housing))~~ units
10 ~~((meeting the))~~ that satisfy requirements ~~((according to))~~ of subsections 23.58B.050.B and
11 23.58B.050.C, if the applicant elects the performance option according to Section 23.58B.050.

12 2. Any requests for modifications according to Section 23.58B.030, including all
13 supporting materials required for a decision on such requests, shall be included in the Master Use
14 Permit application, or in the first building permit application that includes the structural frame
15 for the structure if no Master Use Permit is required.

16 3. The Director shall, as a Type I decision and in consultation with the Director of
17 Housing, determine:

18 a. The amount of the cash contribution according to subsection
19 23.58B.040.A, if the applicant elects the payment option according to Section 23.58B.040;

20 b. The total ~~((square feet))~~ net unit area, measured according to subsection
21 23.86.007.B, of ((housing required to be provided)) MHA-C units according to subsection
22 23.58B.050.A(~~(, measured as net unit area,))~~ and compliance of the proposal for MHA-C
23 ~~((housing))~~ units with the requirements ~~((according to))~~ of subsections 23.58B.050.B and

1 23.58B.050.C, if the applicant elects the performance option according to Section 23.58B.050;
2 and

3 c. Any modification according to subsection 23.58B.030.B.

4 4. The Director shall, as a special exception according to Chapter 23.76,
5 ~~((Procedures for Master Use Permits and Council Land Use Decisions,))~~ in consultation with the
6 Director of Housing, determine any modification according to subsection 23.58B.030.C or
7 subsection 23.58B.030.D.

8 5. Substitution of ~~((units of MHA-C housing))~~ MHA-C units according to
9 subsection ~~((23.58B.050.B.1.e))~~ 23.58B.050.B.15 shall require a separate review and approval
10 by the Director in consultation with the Director of Housing.

11 6. The applicant for a project subject to this Chapter 23.58B shall pay housing
12 review fees according to Section 22.900G.015.

13 B. ~~((Timing 1.))~~ Issuance of Master Use Permit. Prior to issuance of a Type II Master Use
14 Permit, the applicant shall provide the following:

15 ~~((a.))~~ 1. The amount of the cash contribution required according to subsection
16 23.58B.040.A, if the applicant elects the payment option according to Section 23.58B.040;

17 ~~((b.))~~ 2. If the applicant elects the performance option according to Section
18 23.58B.050:

19 ~~((1.))~~ a. The total square feet of housing required to be provided according
20 to subsection 23.58B.050.A, measured as net unit area;

21 ~~((2.))~~ b. A proposal for MHA-C ~~((housing))~~ units meeting the
22 requirements ~~((according to))~~ of subsections 23.58B.050.B and 23.58B.050.C;

1 ~~((3))~~ c. A draft agreement according to subsection ~~((23.58B.050.B.1.g))~~
2 23.58B.050.B.17; and

3 ~~((4))~~ d. A draft developer's agreement according to subsection
4 ~~((23.58B.050.B.2.e))~~ 23.58B.050.C.3, if applicable.

5 ~~((2. Building))~~ C. Issuance of building permit. Prior to issuance of the first building
6 permit that includes the structural frame for the structure containing the commercial development
7 to which this Chapter 23.58B applies, the applicant shall provide the following:

8 ~~((a.))~~ 1. If the applicant elects to comply with this Chapter 23.58B through the
9 payment option according to Section 23.58B.040:

10 ~~((4))~~ a. Final plans that include the structural frame for the structure
11 showing the calculation of the amount of the cash contribution required according to subsection
12 23.58B.040.A; and

13 ~~((2))~~ b. Documentation from the Director of Housing of receipt of
14 payment of the cash contribution required according to subsection 23.58B.040.A.

15 ~~((b.))~~ 2. If the applicant elects to comply with this Chapter 23.58B through the
16 performance option according to Section 23.58B.050:

17 ~~((4))~~ a. Final plans that include the structural frame for the structure that:

18 ~~((a.))~~ 1) Include the calculation of total square feet of housing
19 required to be provided according to subsection 23.58B.050.A and actual square feet of MHA-C
20 ~~((housing))~~ units to be provided, measured as net unit area; and

21 ~~((b.))~~ 2) Demonstrate compliance of the proposal for MHA-C
22 ~~((housing))~~ units with the requirements ~~((according to))~~ of subsections 23.58B.050.B and
23 23.58B.050.C;

1 ((2)) b. The executed and recorded agreement required according to
2 subsection ((23.58B.050.B.1.q)) 23.58B.050.B.17;

3 ((3)) c. Documentation of issuance of the first building permit that
4 includes the structural frame for the structure that includes the MHA-C ((housing)) units, if the
5 MHA-C ((housing is)) units are located in a different structure than the structure containing the
6 commercial development to which this Chapter 23.58B applies;

7 ((4)) d. The executed developer’s agreement required according to
8 subsection ((23.58B.050.B.2.e)) 23.58B.050.C.3, if applicable; and

9 ((5)) e. Documentation from the Director of Housing of receipt of the
10 letter of credit required according to subsection ((23.58B.050.B.2.d)) 23.58B.050.C.4, if
11 applicable.

12 ((e-)) 3. The applicant may change its election between performance and payment
13 prior to issuance of the first building permit that includes the structural frame for the structure,
14 provided the applicant changing its election shall obtain any necessary approvals affected by the
15 change in election. Review and approval of a change in election between performance and
16 payment is a Type I decision, unless the requested change affects a modification according to
17 subsection 23.58B.030.C or subsection 23.58B.030.D.

18 Section 49. Section 23.58B.040 of the Seattle Municipal Code, last amended by
19 Ordinance 125792, is amended as follows:

20 **23.58B.040 Mitigation of impacts – ((payment)) Payment option**

21 A. Amount of cash contributions

22 1. An applicant complying with this Chapter 23.58B through the payment option
23 shall provide a cash contribution to the City, calculated by multiplying the payment calculation

1 amount per square foot according to Table A or Table B for 23.58B.040 and Map A for
 2 23.58B.050, as applicable, by the total square feet of chargeable floor area in commercial use, or
 3 gross floor area in commercial use that is not underground if there is no FAR limit in the
 4 underlying zone, as follows:

5 a. Including chargeable floor area in commercial use in the following:

- 6 1) A new structure;
- 7 2) An addition to a structure;
- 8 3) A change of use from residential use to commercial use; or
- 9 4) Any combination of the above; and

10 b. Excluding chargeable floor area in commercial use as follows:

- 11 1) The first 4,000 gross square feet of street-level commercial uses;

12 and

- 13 2) Street-level commercial uses along a designated principal

14 pedestrian street in a Pedestrian designated zone.

Table A for 23.58B.040 Payment calculation amounts: In Downtown, SM-SLU, SM-U, and SM-NG zones	
Zone	Payment calculation amount per square foot
DH1/45	Not applicable
DH2/55	Not applicable
DH2/75	(\$15.00) <u>\$20.25</u>
DH2/85	Not applicable
DMC 75	(\$8.25) <u>\$11.14</u>

DMC 95	((8.00)) <u>\$10.80</u>
DMC 85/75-170	((8.00)) <u>\$10.80</u>
DMC 145	((10.00)) <u>\$13.50</u>
DMC 170	((8.00)) <u>\$10.80</u>
DMC 240/290-440	((10.00)) <u>\$13.50</u>
DMC 340/290-440	((12.50)) <u>\$16.88</u>
DOC1 U/450-U	((14.75)) <u>\$19.92</u>
DOC2 500/300-550	((14.25)) <u>\$19.24</u>
DRC 85-170	((13.50)) <u>\$18.23</u>
DMR/C 75/75-95	((8.00)) <u>\$10.80</u>
DMR/C 75/75-170	((8.00)) <u>\$10.80</u>
DMR/C 95/75	((17.50)) <u>\$23.63</u>
DMR/C 145/75	((17.50)) <u>\$23.63</u>
DMR/C 280/125	((14.25)) <u>\$19.24</u>
DMR/R 95/65	((14.00)) <u>\$18.90</u>
DMR/R 145/65	((16.00)) <u>\$21.60</u>
DMR/R 280/65	((16.00)) <u>\$21.60</u>
IDM 65-150	Not applicable
IDM 75-85	Not applicable
IDM 85/85-170	((8.00)) <u>\$10.80</u>
IDM 165/85-170	((20.75)) <u>\$28.02</u>

IDR 45/125-270	(\$8.00) <u>\$10.80</u>
IDR 170	(\$8.00) <u>\$10.80</u>
IDR/C 125/150-270	(\$20.75) <u>\$28.02</u>
PMM-85	Not applicable
All PSM zones	Not applicable
SM-NG 145	(\$13.25) <u>\$16.04</u>
SM-NG 240	(\$20.00) <u>\$24.21</u>
SM-SLU 100/65-145	(\$8.00) <u>\$10.80</u>
SM-SLU 85/65-160	Not applicable
SM-SLU 85-280	(\$8.00) <u>\$10.80</u>
SM-SLU 175/85-280	(\$11.25) <u>\$15.19</u>
SM-SLU 240/125-440	(\$10.00) <u>\$13.50</u>
SM-SLU/R 65/95	(\$8.25) <u>\$11.14</u>
SM-SLU 100/95	(\$8.00) <u>\$10.80</u>
SM-SLU 145	(\$9.25) <u>\$12.49</u>
SM-U 85	(\$7.00) <u>\$9.45</u>
SM-U/R 75-240	(\$20.00) <u>\$27.01</u>
SM-U 75-240	(\$20.00) <u>\$27.01</u>
SM-U 95-320	(\$20.00) <u>\$27.01</u>

1

Table B for 23.58B.040
 Payment calculation amounts:
 Outside Downtown, SM-SLU, SM-U, and SM-NG zones

Zone	Payment calculation amount per square foot		
	Low	Medium	High
All Industrial Buffer zones (IB)	Not applicable	Not applicable	Not applicable
All Industrial General zones (IG)	Not applicable	Not applicable	Not applicable
All Master Planned Communities—Yesler Terrace zones (MPC-YT)	Not applicable	Not applicable	Not applicable
IC 85-175	(\$10.00) <u>\$13.50</u>	(\$10.00) <u>\$13.50</u>	(\$10.00) <u>\$13.50</u>
Zones with an (M) suffix	(\$5.00) <u>\$6.75</u>	(\$7.00) <u>\$9.45</u>	(\$8.00) <u>\$10.80</u>
Zones with an (M1) suffix	(\$8.00) <u>\$10.80</u>	(\$11.25) <u>\$15.19</u>	(\$12.75) <u>\$17.22</u>
Zones with an (M2) suffix	(\$9.00) <u>\$12.15</u>	(\$12.50) <u>\$16.88</u>	(\$14.50) <u>\$19.58</u>
Other zones where provisions refer to Chapter 23.58B	(\$5.00) <u>\$6.75</u>	(\$7.00) <u>\$9.45</u>	(\$8.00) <u>\$10.80</u>

1
 2 2. Automatic adjustments to payment amounts. (~~On March 1, 2016, and on the~~
 3 ~~same day in 2017, 2018, and 2019, the amounts for payment calculations according to Table A~~
 4 ~~and Table B for 23.58B.040 shall automatically adjust in proportion to the annual change for the~~
 5 ~~previous calendar year (January 1 through December 31) in the Consumer Price Index, All~~
 6 ~~Urban Consumers, Seattle Tacoma Bellevue, WA, All Items (1982-84 = 100), as determined by~~
 7 ~~the U.S. Department of Labor, Bureau of Labor Statistics, or successor index. On March 1, 2020,~~
 8 ~~and on the same day each year thereafter, the)) The amounts for payment calculations according~~
 9 ~~to Table A and Table B for 23.58B.040 shall automatically adjust annually on March 1, starting~~
 10 ~~in 2024, by an amount in proportion to ((the annual)) the increase, if any, ((for the previous~~

1 ~~calendar year (January 1 through December 31))~~ for January 1 through December 31 of the
2 prior calendar year, in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma-
3 Bellevue, WA, Shelter (1982-84=100), as determined by the U.S. Department of Labor, Bureau
4 of Labor Statistics, or successor index.

5 B. Deposit and use of cash contributions

6 1. Cash contributions shall be deposited by the Director of Housing in a special
7 account established solely for preservation and production of housing affordable for renter
8 households with incomes no higher than 60 percent of median income and for owner households
9 with incomes no higher than 80 percent of median income. Earnings on balances in the special
10 account shall accrue to that account.

11 2. Use of cash contributions shall support the preservation and production of
12 renter-occupied housing within Seattle, or the preservation and production of ~~((owner-occupied))~~
13 ownership housing within Seattle, as follows. Rental housing supported by the cash contributions
14 shall be rent- and income-restricted to serve households with incomes no higher than 60 percent
15 of median income for a minimum period of 50 years, with an expectation of ongoing
16 affordability. At least ~~((5))~~ five percent of total cash contributions on a yearly basis shall be
17 dedicated to capital expenditures for development of ~~((owner-occupied))~~ ownership housing.
18 ~~((Dedicated funds may be committed over multiple years based on the availability of eligible~~
19 ~~projects. Owner-occupied))~~ Ownership housing supported by the cash contributions shall be
20 priced to serve and sold to households with incomes no higher than 80 percent of median
21 income, with resale restrictions for a minimum period of 50 years, with an expectation of
22 ongoing affordability.

1 3. For purposes of determining the location for use of cash contributions, the City
2 shall consider the extent to which the housing advances the following factors:

- 3 a. Affirmatively furthering fair housing choice;
- 4 b. Locating within an urban center or urban village;
- 5 c. Locating in proximity to frequent bus service or current or planned light
6 rail or streetcar stops;
- 7 d. Furthering City policies to promote economic opportunity and
8 community development and addressing the needs of communities vulnerable to displacement;
9 and
- 10 e. Locating near developments that generate cash contributions.

11 4. Each cash contribution shall be expended within five years of collection. Any
12 cash contribution not so expended shall be refunded with any interest required by law.

13 Section 50. Section 23.58B.050 of the Seattle Municipal Code, last amended by
14 Ordinance 126685, is amended as follows:

15 **23.58B.050 Mitigation of impacts – ((performance)) Performance option**

16 A. Performance option

17 1. An applicant complying with this Chapter 23.58B through the performance
18 option shall provide total ((square feet of housing)) net unit area, measured according to
19 subsection 23.86.007.B, of MHA-C units meeting the standards of subsection 23.58B.050.B,
20 ((measured as net unit area, calculated by multiplying)) equal to at least the percentage
21 calculation amount per square foot according to Table A or Table B for 23.58B.050 and Map A
22 for 23.58B.050, as applicable, multiplied by the total square feet of chargeable floor area in

1 commercial use, or gross floor area in commercial use that is not underground if there is no FAR
2 limit in the underlying zone, as follows:

3 a. Including chargeable floor area in commercial use in the following:

- 4 1) A new structure;
- 5 2) An addition to a structure;
- 6 3) A change of use from residential use to commercial use; or
- 7 4) Any combination of the above; and

8 b. Excluding chargeable floor area in commercial use as follows:

- 9 1) The first 4,000 gross square feet of street-level commercial uses;

10 and

- 11 2) Street-level commercial uses along a designated principal
12 pedestrian street in a Pedestrian designated zone.

13 2. If the calculation according to subsection 23.58B.050.A.1 yields fewer than
14 three MHA-C units ~~((of housing required to meet the standards of subsection 23.58B.050.B,))~~
15 using a conversion factor for unit size as determined by the Director, the applicant shall either
16 round up to three units or provide a cash contribution using the payment option according to
17 subsection 23.58B.040.A.

18 * * *

19 B. ~~((Performance standards 1.))~~ General performance standards. All MHA-C ~~((housing))~~
20 units shall meet the following standards:

21 ~~((a.))~~ 1. Duration. The obligation to provide MHA-C ~~((housing))~~ units shall be for
22 a minimum period of 75 years from the date of issuance of the certificate of occupancy, or if a
23 certificate of occupancy is not required, from the date of the final building permit inspection, for

1 the MHA-C (~~(housing)~~) units; provided that, in the case of demolition of a structure containing
2 both MHA-C (~~(housing)~~) units provided according to this Section 23.58B.050 and units provided
3 to comply with Chapter 23.58C through the performance option according to Section
4 23.58C.050, the obligation to provide MHA-C (~~(housing)~~) units shall last no longer than the time
5 specified according to subsection 23.58C.050.B.1.b.1.

6 ~~((b-))~~ 2. Tenure. MHA-C (~~(housing)~~) units shall be rental housing for eligible
7 households according to subsection (~~(23.58B.050.B.1.f)~~) 23.58B.050.B.6.

8 ~~((e-))~~ 3. Rent limits. Monthly rent for MHA-C (~~(housing)~~) units shall not exceed
9 30 percent of 60 percent of median income or, in the case of any unit with net unit area of 400
10 square feet or less, 30 percent of 40 percent of median income. For purposes of this subsection
11 (~~(23.58B.050.B.1.e)~~) 23.58B.050.B.3, “monthly rent” includes a utility allowance for heat, gas,
12 electricity, water, sewer, and refuse collection, to the extent such items are not paid for tenants
13 by the owner, and also includes any recurring fees that are required as a condition of tenancy.

14 ~~((d-))~~ 4. Type. MHA-C (~~(housing)~~) units shall be dwelling units, except for
15 accessory dwelling units or detached accessory dwelling units.

16 ~~((e-))~~ 5. Comparability. MHA-C (~~(housing)~~) units shall be comparable to the other
17 dwelling units to be developed in terms of the following:

18 ~~((1))~~ a. Number and size of bedrooms and bathrooms;

19 ~~((2))~~ b. Net unit area measured as square feet;

20 ~~((3))~~ c. Access to amenity areas;

21 ~~((4))~~ d. Functionality; and

22 ~~((5))~~ e. Term of the lease.

23 ~~((f-))~~ 6. Eligible households. MHA-C (~~(housing)~~) units shall serve only:

1 ((4)) a. At initial occupancy by a household:

2 ((a)) 1) For a unit with net unit area of 400 square feet or less,
3 households with incomes no higher than 40 percent of median income; or

4 ((b)) 2) For a unit with net unit area of greater than 400 square
5 feet, households with incomes no higher than 60 percent of median income.

6 ((2)) b. At the time of annual certification according to subsection
7 ((23.58B.050.B.1.m)) 23.58B.050.B.13:

8 ((a)) 1) For a unit with net unit area of 400 square feet or less,
9 households with incomes no greater than 60 percent of median income;

10 ((b)) 2) For a unit with net unit area of greater than 400 square
11 feet, households with incomes no greater than 80 percent of median income.

12 ((g. Public subsidy. If any public subsidy, including the Multifamily Housing
13 Property Tax Exemption authorized by Chapter 5.73 and chapter 84.14 RCW, is used for a
14 development containing MHA-C housing, and as a condition of the public subsidy income levels
15 of occupants and the rents that may be charged for any units in the development are restricted,
16 the units provided to comply with this Chapter 23.58B shall be different units than the units that
17 are subject to such restrictions as a condition of the public subsidy.)) 7. Affordable housing; no
18 other restrictions. MHA-C units and restricted units provided for any other reason, including a
19 property tax exemption or loans and grants, must be different units.

20 ((h.)) 8. Time of completion. Except as provided according to subsection
21 ((23.58B.050.B.2.d)) 23.58B.050.C.4, MHA-C ((housing)) units shall be completed and ready
22 for occupancy at or before the time when a final ((Certificate of Occupancy)) certificate of
23 occupancy is issued for the development mitigating impacts according to this Chapter 23.58B,

1 and shall be a condition to any right of the applicant to such ~~((Certificate of Occupancy))~~
2 certificate of occupancy.

3 ~~((i-))~~ 9. Age of construction; distribution. MHA-C ~~((housing))~~ units shall be newly
4 constructed and shall be generally distributed throughout the residential portion of the
5 development.

6 ~~((j-))~~ 10. Affirmative marketing. MHA-C ~~((housing))~~ units shall be affirmatively
7 marketed to attract eligible households from all racial, ethnic, and gender groups in the housing
8 market area of the property, particularly to inform and solicit applications from households who
9 are otherwise unlikely to apply for housing in the development. Proposed marketing efforts shall
10 be submitted to the Office of Housing for review and approval. Records documenting affirmative
11 marketing efforts shall be maintained and submitted to the Office of Housing upon request.

12 ~~((k-))~~ 11. Reporting. ~~((At such times))~~ Periodically as may be ~~((authorized))~~
13 required by the Director of Housing, but no less than annually, ~~((and for as long as the agreement~~
14 ~~according to subsection 23.58B.050.B.1.q remains in effect,))~~ the owner of the MHA-C
15 ~~((housing))~~ units shall submit to the ~~((Director))~~ Office of Housing a written report ~~((, verified~~
16 ~~upon oath or affirmation by the owner,))~~ demonstrating compliance with and housing outcomes
17 of this Chapter 23.58B. The ~~((written))~~ report shall ~~((state, at a minimum, the occupancy and~~
18 ~~vacaney of each unit of MHA-C housing, the monthly rents charged for each MHA-C housing~~
19 ~~unit, and the income and size of each household occupying the MHA-C housing. The Director of~~
20 ~~Housing may require other documentation to ensure compliance with this subsection~~
21 ~~23.58B.050.B and any agreement according to subsection 23.58B.050.B.1.q, including but not~~
22 ~~limited to documentation of rents, copies of tenant certifications, and documentation supporting~~
23 ~~determinations of tenant income (including employer's verification or check stubs), and other))~~

1 include required information and supporting documentation (~~necessary to track program~~
2 ~~outcomes and the demographics of households served. The first annual report shall include~~
3 ~~documentation of issuance of the certificate of occupancy, or if a certificate of occupancy is not~~
4 ~~required, the date of final building permit inspection, for the MHA-C housing~~), verified upon
5 the owner's oath or affirmation and in a form prescribed by the Office of Housing. The Director
6 of Housing is authorized to assess a late fee of \$50 per day, (~~to~~) which shall accrue until the
7 report is submitted, starting 14 days from the date of the Office of (~~Housing notifies the owner~~
8 ~~of the MHA-C housing~~) Housing's notice that the report is overdue(~~, until the report is~~
9 ~~submitted~~)).

10 (~~to~~) 12. Limitation on charges. Fees charged to eligible households upon move-in
11 or transfer within a development containing MHA-C (~~housing~~) units shall be limited to a
12 reasonable level to be established by the Director of Housing by rule. No tenant of a rental unit
13 may be charged fees for income verifications or reporting requirements related to this Chapter
14 23.58B.

15 (~~m~~) 13. Annual certification, third party verification

16 (~~to~~) a. The owner of the structure(s) that includes the MHA-C
17 (~~housing~~) units shall obtain from each tenant, no less than annually, a certification of household
18 size and annual income in a form acceptable to the (~~City~~) Director of Housing. The owner shall
19 examine the income of each tenant household according to 24 CFR 5.609, with guidance from
20 the HUD Occupancy Handbook 4350.3, Chapter 5. The owner also shall examine the income
21 and household size of any tenant at any time when there is evidence that the tenant's written
22 statement was not complete or accurate. If so requested by the City, the owner shall obtain such
23 certifications and/or examine incomes and household sizes at any other times upon reasonable

1 advance notice from the City. The owner shall maintain all certifications and documentation
2 obtained according to this subsection (~~((23.58B.050.B.1.m))~~ 23.58B.050.B.13 on file for at least
3 six years after they are obtained, and shall make them available to the City for inspection and
4 copying promptly upon request.

5 ~~((2))~~ b. The owner of the structure that includes the MHA-C (~~((housing))~~)
6 units shall attempt to obtain third party verification whenever possible to substantiate income at
7 each certification, which shall include contacting the individual income source(s) supplied by the
8 household. The verification documents shall be supplied directly to the independent source by
9 the owner and returned directly to the owner from the independent source. In the event that the
10 independent source does not respond to the owner's faxed, mailed, or emailed request for
11 information, the owner may pursue oral third party verification. If written or oral third party
12 documentation is not available, the owner may accept original documents (pay stubs, W-2, etc.)
13 at the discretion of the Director of Housing and shall document why third party verification was
14 not available. At the discretion of the Director of Housing, the owner may accept tenant self-
15 certifications after the initial income verification and first annual recertification.

16 ~~((#))~~ 14. Annual fee. The owner of the structure that includes the MHA-C
17 (~~((housing))~~) units shall pay the Office of Housing an annual fee of (~~((150))~~) \$190 per (~~((unit of))~~)
18 MHA-C (~~((housing))~~) unit for the (~~((purposes))~~) purpose of monitoring compliance with the
19 requirements (~~((according))~~) of to this Section 23.58B.050. (~~((On March 1, 2017, and on the same~~
20 ~~day each year thereafter, the annual fee shall automatically adjust in proportion to the annual~~
21 ~~change for the previous calendar year (January 1 through December 31)))~~) The annual fee shall
22 automatically adjust annually on March 1, starting in 2024, by an amount in proportion to the
23 increase, if any, for January 1 through December 31 of the prior calendar year, in the Consumer

1 Price Index, All Urban Consumers, Seattle-Tacoma-Bellevue, WA, All Items (1982-84 = 100),
2 as determined by the U.S. Department of Labor, Bureau of Labor Statistics or successor index,
3 unless the Director of Housing makes a determination that a lower fee covers the cost of
4 monitoring compliance.

5 ((~~o~~)) 15. Over-income households; unit substitution. If, based on any
6 certification, a previously eligible household occupying ~~((a unit of))~~ an MHA-C ~~((housing))~~ unit
7 is determined to be ineligible due to exceeding the income limits according to subsection
8 ~~((23.58B.050.B.1.f))~~ 23.58B.050.B.6, the owner of the development containing the MHA-C
9 ~~((housing))~~ units shall, through the process according to subsection 23.58B.025.A.5, designate a
10 comparable substitute ~~((unit of))~~ MHA-C ~~((housing))~~ unit within the development, as approved
11 by the Director of Housing, as soon as such a unit becomes available, and upon such designation
12 the requirements ~~((according to))~~ of this subsection 23.58B.050.B and subsection 23.58B.050.C
13 shall transfer to the substitute unit. All of the ~~((comparable))~~ rental units in the development that
14 contains the MHA-C ~~((housing))~~ units shall be considered as potential ~~((comparable))~~ substitute
15 replacement units. Upon such determination that a previously eligible household is ineligible, the
16 owner shall promptly give the ineligible household notice of such determination and notice that
17 the requirements ~~((according to))~~ of this subsection 23.58B.050.B and subsection 23.58B.050.C
18 shall transfer to a substitute MHA-C unit when such unit becomes available. Upon the transfer of
19 the requirements, the owner shall give the ineligible household six months' notice prior to any
20 rent increase.

21 ((~~p~~)) 16. Maintenance, insurance. MHA-C ~~((housing))~~ units, and the development
22 in which the MHA-C ~~((housing is))~~ units are located, shall be maintained by the owner in decent
23 and habitable condition, including the provision of adequate basic appliances. The owner shall

1 keep the MHA-C (~~(housing)~~) units, and the development in which the MHA-C (~~(housing is)~~)
2 units are located, insured by an insurance company licensed to do business in the state of
3 Washington and reasonably acceptable to the City, against loss by fire and other hazards
4 included with broad form coverage, in the amount of 100 percent of the replacement value.

5 ~~((¶))~~ 17. Agreement. The City and the owner of the structure(s) that include the
6 MHA-C (~~(housing)~~) units shall enter into an agreement specifying the requirements (~~(according~~
7 ~~to))~~ of this Section 23.58B.050. The agreement shall be recorded on the title of the property on
8 which the MHA-C (~~(housing is)~~) units are located. The requirements specified in the agreement
9 shall be consistent with final plans for the MHA-C (~~(housing)~~) units. If the first building permit
10 is issued for the structural frame for the structure that includes affordable housing according to
11 this Chapter 23.58B and such structure is acquired to provide City-funded low-income housing,
12 the agreement according to this subsection 23.58B.050.B.17 may be released at the sole
13 discretion of the Director of Housing.

14 ~~((¶))~~ 18. Casualty

15 ~~((1))~~ a. If (~~(a unit of MHA-C housing)~~) an MHA-C unit is destroyed or
16 rendered unfit for occupancy by casualty, the owner of the MHA-C (~~(housing)~~) unit shall,
17 through the process according to subsection 23.58B.025.A.5, designate a comparable substitute
18 (~~(unit of MHA-C housing)~~) MHA-C unit within the development, as approved by the Director of
19 Housing, as soon as such unit becomes available, which the tenant household of the (~~(unit of~~
20 ~~MHA-C housing)~~) MHA-C unit affected by casualty shall be allowed to move into, and upon
21 such designation the requirements (~~(according to))~~ of subsection 23.58B.050.B shall transfer to
22 the substitute unit.

1 ~~((2))~~ b. If any casualty loss results in the loss of ~~((the unit or units of~~
2 ~~MHA-C housing))~~ one or more MHA-C units for a period of one year or more, the duration
3 according to subsection 23.58B.050.B.1.a shall be automatically extended beyond the original
4 term hereof for a period equal to the period of time for which the ~~((unit or units of MHA-C~~
5 ~~housing))~~ MHA-C units are not in service and no comparable ~~((units of MHA-C housing))~~
6 MHA-C units have been provided and placed in service within the development.

7 ~~((2-))~~ C. Additional performance standards. In addition to meeting the standards in
8 subsection 23.58B.050.B~~((-1))~~, MHA-C ~~((housing))~~ units located on a site other than the same lot
9 as the development required to mitigate affordable housing impacts according to this Chapter
10 23.58B shall meet the following additional standards:

11 ~~((a-))~~ 1. Equal or better mitigation. The applicant shall demonstrate to the
12 satisfaction of the Director of Housing that affordable housing impact mitigation provided
13 through the performance option on a site other than the same lot as the development required to
14 mitigate affordable housing impacts according to this Chapter 23.58B is equal to or better than
15 mitigation provided through performance on the same lot.

16 ~~((b-))~~ 2. Location. MHA-C ~~((housing))~~ units provided on a site other than the
17 same lot as the development required to mitigate affordable housing impacts according to this
18 Chapter 23.58B shall be located:

19 ~~((1-))~~ a. Within the same urban center or urban village as the development
20 required to mitigate affordable housing impacts according to this Chapter 23.58B; or

21 ~~((2))~~ b. Within one mile of the development required to mitigate
22 affordable housing impacts according to this Chapter 23.58B if such development is located
23 outside of an urban center or urban village.

1 ~~((e-))~~ 3. Developer’s agreement. If the owner of the development required to
2 mitigate affordable housing impacts according to this Chapter 23.58B is not the owner of the
3 MHA-C ~~((housing))~~ units, then in addition to the agreement required according to subsection
4 ~~((23.58B.050.B.1-q))~~ 23.58B.050.B.17, the owner of the development required to mitigate
5 affordable housing impacts according to this Chapter 23.58B and the owner of the MHA-C
6 ~~((housing))~~ units shall execute a developer’s agreement, acceptable to the Director of Housing,
7 allowing the exclusive use of the MHA-C ~~((housing))~~ units to satisfy the requirements
8 ~~((according to))~~ of this Chapter 23.58B in return for necessary and adequate financial support to
9 the development of ~~((that MHA-C housing))~~ the MHA-C units.

10 ~~((d-))~~ 4. Letter of credit

11 ~~((1))~~ a. If the MHA-C ~~((housing is))~~ units are located on a site other than
12 the same lot as the development required to mitigate affordable housing impacts according to this
13 Chapter 23.58B, the owner of the development required to mitigate affordable housing impacts
14 according to this Chapter 23.58B shall provide to the Director of Housing an irrevocable bank
15 letter of credit, approved by the Director of Housing, in the amount according to subsection
16 23.58B.040.A.

17 ~~((2))~~ b. The Director of Housing may draw on the letter of credit one year
18 after the date of issuance of the certificate of occupancy, or, if a certificate of occupancy is not
19 required, the final building permit inspection, for the development required to mitigate affordable
20 housing impacts according to this Chapter 23.58B if the certificate of occupancy or final building
21 permit inspection for the MHA-C ~~((housing))~~ units has not been issued on or before that date.
22 The owner of the development required to mitigate affordable housing impacts according to this
23 Chapter 23.58B shall also pay an amount equal to the interest on the cash contribution, at the rate

1 equal to the prime rate quoted by Bank of America, or its successor, plus three percent per
2 annum, from the date of issuance of the first building permit that includes the structural frame for
3 the development required to mitigate affordable housing impacts according to this Chapter
4 23.58B.

5 ~~((3))~~ c. If and when the City becomes entitled to draw on any letter of
6 credit, the Director of Housing may take appropriate steps to do so, and the amounts realized, net
7 of any costs to the City, shall be used in the same manner as cash contributions according to
8 subsection 23.58B.040.B.

9 Section 51. Section 23.58B.060 of the Seattle Municipal Code, last amended by
10 Ordinance 125233, is amended as follows:

11 **23.58B.060 Definitions**

12 Definitions in this Chapter 23.58B supersede any definitions of the same terms in Chapter
13 23.84A and Section 23.58A.004 for the purposes of provisions of this Chapter 23.58B, unless
14 otherwise specified in this Chapter 23.58B.

15 “Affordable housing” means dwelling units affordable to households with a range of
16 incomes no higher than 80 percent of median income.

17 “MHA-C ~~((housing))~~ unit” means ~~((housing))~~ a dwelling unit provided to comply with
18 Chapter 23.58B through the performance option according to Section 23.58B.050.

19 For purposes of this Chapter 23.58B, “dwelling unit” does not include an accessory
20 dwelling unit.

21 Section 52. Section 23.58C.020 of the Seattle Municipal Code, enacted by Ordinance
22 125108, is amended as follows:

23 **23.58C.020 ~~((Definition))~~ Definitions**

1 Definitions in this Chapter 23.58C supersede any definitions of the same terms in Chapter
2 23.84A and Section 23.58A.004 for the purposes of provisions of this Chapter 23.58C, unless
3 otherwise specified in this Chapter 23.58C.

4 “MHA-R unit” means a dwelling unit, small efficiency dwelling unit, live-work unit, or
5 congregate residence sleeping room provided to comply with Chapter 23.58C through the
6 performance option according to Section 23.58C.050.

7 ~~((For purposes of this Chapter 23.58C, unless otherwise specified in this Chapter 23.58C,~~
8 ~~the term “unit” refers to)) “Unit” means a dwelling unit, ((except an accessory dwelling unit or
9 ~~detached accessory dwelling unit;)) small efficiency dwelling unit, live-work unit((;)) ₁ or~~
10 congregate residence sleeping room.~~

11 “MHA-R unit” means a dwelling unit, small efficiency dwelling unit, live-work unit, or
12 congregate residence sleeping room provided to comply with Chapter 23.58C through the
13 performance option according to Section 23.58C.050.

14 For purposes of this Chapter 23.58C, “dwelling unit” does not include an accessory
15 dwelling unit.

16 Section 53. Section 23.58C.025 of the Seattle Municipal Code, last amended by
17 Ordinance 125791, is amended as follows:

18 **23.58C.025 Applicability and general requirements**

19 * * *

20 C. ~~((Exemptions. Development is exempt from the requirements of this Chapter 23.58C if~~
21 ~~it receives public funding and/or an allocation of federal low income housing tax credits, and is~~
22 ~~subject to a regulatory agreement, covenant, or other legal instrument recorded on the property~~
23 ~~title and enforceable by The City of Seattle, Washington State Housing Finance Commission,~~

1 ~~State of Washington, King County, U.S. Department of Housing and Urban Development, or~~
2 ~~other similar entity as approved by the Director of Housing, (1) which restricts at least 40 percent~~
3 ~~of the residential units to occupancy by households earning no greater than 60 percent of median~~
4 ~~income, and controls the rents that may be charged, for a minimum period of 40 years, or (2)~~
5 ~~which restricts at least 40 percent of the residential units to be sold to households earning no~~
6 ~~greater than 80 percent of median income, for a minimum period of 50 years. The sale price for~~
7 ~~sales subsequent to the initial sale shall be calculated to allow modest growth in homeowner~~
8 ~~equity while maintaining long term affordability for future buyers. All buyers of such an~~
9 ~~ownership unit subsequent to the initial sale shall be households with incomes no greater than 80~~
10 ~~percent of median income at initial occupancy.)) Exemption. Low-income housing is exempt~~
11 ~~from the requirements of this Chapter 23.58C.~~

12 D. Relationship to incentive zoning. Where the provisions of the zone refer to this
13 Chapter 23.58C and where bonus residential floor area or extra residential floor area may be
14 achieved according to the provisions of the zone and/or Chapter 23.58A, the following
15 provisions apply:

16 1. All requirements to provide ~~((low income or moderate income housing, or))~~
17 ~~affordable housing ((as defined in Section 23.58A.004, for achieving))~~ to gain bonus residential
18 floor area or extra residential floor area according to the provisions of the zone and/or Chapter
19 23.58A shall be satisfied solely by compliance with this Chapter 23.58C.

20 2. Any non-housing requirements for achieving bonus residential floor area or
21 extra residential floor area shall be satisfied according to the provisions of the zone and/or
22 Chapter 23.58A.

1 3. Extra residential floor area achieved in HR zones by transfer of development
2 potential, providing neighborhood open space, or providing a neighborhood green street setback
3 according to ~~((Section))~~ subsection 23.45.516.B.2 shall be excluded from the gross floor area of
4 the development for purposes of ~~((Section))~~ subsection 23.58C.040.A.1 and ~~((the))~~ any units
5 contained in such extra floor area shall be excluded from the total number of units in the
6 structure for purposes of ~~((Section))~~ subsection 23.58C.050.A.1.

7 Section 54. Section 23.58C.030 of the Seattle Municipal Code, last amended by
8 Ordinance 125291, is amended as follows:

9 **23.58C.030 Permit documentation**

10 A. General

11 1. For any development to which this Chapter 23.58C applies, the Master Use
12 Permit application and the first building permit application that includes the structural frame for
13 the structure shall include the following:

14 a. If the applicant elects the payment option, the amount of the required
15 cash contribution according to subsection 23.58C.040.A;

16 b. If the applicant elects the performance option, the number of MHA-R
17 units required to be provided according to subsection 23.58C.050.A, the amount of any cash
18 contribution according to subsection 23.58C.050.A.3.b, and a proposal for MHA-R units that
19 meet the requirements ~~((according to))~~ of subsection 23.58C.050.C; and

20 c. If the applicant seeks relief according to Sections 23.48.231 or
21 23.49.039 or seeks a modification according to subsection 23.58C.035.B or subsection
22 23.58C.035.C, the earliest application according to this subsection 23.58C.030.A.1 shall include

1 requests for such relief or modifications including all supporting materials required for a decision
2 on the requests.

3 2. The Director shall, as a Type I decision and in consultation with the Director of
4 Housing, determine:

5 a. If the applicant elects to comply with this Chapter 23.58C through the
6 payment option according to Section 23.58C.040, the amount of the cash contribution;

7 b. If the applicant elects to comply with this Chapter 23.58C through the
8 performance option according to Section 23.58C.050, the number of MHA-R units that shall
9 meet the requirements ~~((according to))~~ of subsection 23.58C.050.C, the amount of any cash
10 contribution according to subsection 23.58C.050.A.3.b, and the compliance of the proposal
11 ~~((required according to subsection 23.58C.030.A.1.b with the))~~ for MHA-R units that satisfy
12 requirements ~~((according to))~~ of subsection 23.58C.050.C; and

13 c. Any modification according to subsection 23.58C.035.B.

14 3. The Director shall, as a special exception according to Chapter 23.76,
15 Procedures for Master Use Permits and Council Land Use Decisions, in consultation with the
16 Director of Housing, determine any modification according to subsection 23.58C.035.C.

17 4. The final plans that include the structural frame for the structure shall
18 demonstrate compliance with the requirements ~~((according to))~~ of Section 23.58C.040 or Section
19 23.58C.050 and state the ongoing requirements ~~((according to))~~ of Section 23.58C.050.

20 5. If the applicant elects to comply with this Chapter 23.58C through the
21 performance option according to Section 23.58C.050, the requirements ~~((according to))~~ of
22 Section 23.58C.050 shall be considered terms of the first building permit that includes the
23 structural frame for the structure.

1 6. Unit substitution according to subsection 23.58C.050.C.6.f and conversion to
2 ownership housing according to subsection 23.58C.050.C.6.i shall require a separate review and
3 approval by the Director in consultation with the Director of Housing.

4 7. The applicant for a project subject to this Chapter 23.58C shall pay housing
5 review fees according to Section 22.900G.015.

6 B. ~~((Timing 1.))~~ Issuance of Master Use Permit. Prior to the issuance of a Type II Master
7 Use Permit, the applicant shall provide the following:

8 ~~((a.))~~ 1. If the applicant elects the payment option, the amount of the required cash
9 contribution according to subsection 23.58C.040.A; or

10 ~~((b.))~~ 2. If the applicant elects the performance option, the number of MHA-R
11 units required to be provided according to subsection 23.58C.050.A, the amount of any cash
12 contribution according to subsection 23.58C.050.A.3.b, a proposal for MHA-R units that meet
13 the requirements ~~((according to))~~ of subsection 23.58C.050.C, and a draft agreement according
14 to subsection 23.58C.050.E.

15 ~~((2. Building))~~ C. Issuance of building permit. Prior to issuance of the first building
16 permit that includes the structural frame for the structure, the applicant shall provide the
17 following:

18 ~~((a.))~~ 1. If the applicant elects to comply with this Chapter 23.58C through the
19 payment option according to Section 23.58C.040:

20 ~~((1.))~~ a. Final plans that include the structural frame for the structure
21 showing the calculation of the amount of the required cash contribution according to subsection
22 23.58C.040.A; and

1 ~~((2))~~ b. Documentation from the Director of Housing of receipt of
2 payment of the required cash contribution according to subsection 23.58C.040.A; or

3 ~~((b-))~~ 2. If the applicant elects to comply with this Chapter 23.58C through the
4 performance option according to Section 23.58C.050:

5 ~~((H))~~ a. Final plans that include the structural frame for the structure that:

6 ~~((a))~~ 1) Include the calculation of the number of MHA-R units
7 required to be provided according to subsection 23.58C.050.A;

8 ~~((b))~~ 2) Demonstrate compliance with the requirements
9 ~~((according to))~~ of Section 23.58C.050 and state the ongoing requirements ~~((according to))~~ of
10 Section 23.58C.050; and

11 (I) 3) Include the calculation of the amount of any cash
12 contribution according to subsection 23.58C.050.A.3.b;

13 ~~((2))~~ b. Documentation from the Director of Housing of receipt of
14 payment of any cash contribution according to subsection 23.58C.050.A.3.b; and

15 ~~((3))~~ c. The executed and recorded agreement required according to
16 subsection 23.58C.050.E.

17 ~~((e-))~~ 3. The applicant may change its election between performance and payment
18 prior to issuance of the first building permit that includes the structural frame for the structure,
19 provided that an applicant changing its election shall obtain any necessary approvals affected by
20 the change in election. Review and approval of a change in election between performance and
21 payment is a Type I decision, unless the requested change affects a modification according to
22 subsection 23.58C.035.C.

1 Section 55. Section 23.58C.040 of the Seattle Municipal Code, last amended by
2 Ordinance 126157, is amended as follows:

3 **23.58C.040 Affordable housing – ((payment)) Payment option**

4 A. Payment amount

5 1. An applicant complying with this Chapter 23.58C through the payment option
6 shall provide a cash contribution to the City, calculated by multiplying the payment calculation
7 amount per square foot according to Table A or Table B for 23.58C.040 and Map A for
8 23.58C.050, as applicable, by the total gross floor area in the development, excluding the floor
9 area of parking located in stories, or portions of stories, that are underground, and excluding any
10 floor area devoted to a domestic violence shelter, as follows:

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

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

16 c. In the case of alterations within an existing structure that result in an
17 increase in the total number of units within the structure, the gross floor area calculated by
18 dividing the total gross floor area in residential use and gross floor area of live-work units by the
19 total number of units in the proposed development, and multiplying that quotient by the net
20 increase in units in the development;

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

23 e. Any combination of the above.

Table A for 23.58C.040
 Payment calculation amounts:
 In Downtown, SM-SLU, SM-U 85 , and SM-NG zones

Zone	Payment calculation amount per square foot
DH1/45	Not applicable
DH2/55	Not applicable
DH2/75	(((\$12.75)) <u>\$16.85</u>
DH2/85	Not applicable
DMC 75	(((\$12.75)) <u>\$16.85</u>
DMC 85/75-170	(((\$20.75)) <u>\$27.42</u>
DMC 95	(((\$12.75)) <u>\$16.85</u>
DMC 145	(((\$13.00)) <u>\$15.95</u>
DMC 170	(((\$5.50)) <u>\$7.27</u>
DMC 240/290-440	(((\$8.25)) <u>\$10.90</u>
DMC 340/290-440	(((\$8.25)) <u>\$10.90</u>
DMR/C 75/75-95	(((\$20.75)) <u>\$27.42</u>
DMR/C 75/75-170	(((\$20.75)) <u>\$27.42</u>
DMR/C 95/75	(((\$12.75)) <u>\$16.85</u>
DMR/C 145/75	(((\$11.75)) <u>\$13.53</u>
DMR/C 280/125	(((\$13.00)) <u>\$15.95</u>
DMR/R 95/65	(((\$12.75)) <u>\$16.85</u>
DMR/R 145/65	(((\$11.75)) <u>\$13.53</u>

DMR/R 280/65	(\$13.00) <u>\$15.95</u>
DOC1 U/450-U	(\$12.00) <u>\$15.86</u>
DOC2 500/300-550	(\$10.25) <u>\$13.55</u>
DRC 85-170	(\$10.00) <u>\$13.22</u>
IDM-65-150	Not applicable
IDM-75-85	Not applicable
IDM 85/85-170	(\$20.75) <u>\$27.42</u>
IDM 165/85-170	(\$20.75) <u>\$27.42</u>
All IDR and IDR/C zones	(\$20.75) <u>\$27.42</u>
PMM-85	Not applicable
All PSM zones	Not applicable
SM-NG 145	(\$13.25) <u>\$16.04</u>
SM-NG 240	(\$20.00) <u>\$24.21</u>
SM-SLU 85/65-160	Not applicable
SM-SLU 85-280	(\$10.00) <u>\$13.22</u>
SM-SLU 100/95	(\$7.50) <u>\$9.91</u>
SM-SLU 100/65-145	(\$7.75) <u>\$10.24</u>
SM-SLU 145	(\$7.75) <u>\$10.24</u>
SM-SLU 175/85-280	(\$10.00) <u>\$13.22</u>
SM-SLU 240/125-440	(\$10.00) <u>\$13.22</u>
SM-SLU/R 65/95	(\$12.75) <u>\$16.85</u>

SM-U 85	(((\$13.25)) <u>\$17.51</u>
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Table B for 23.58C.040
 Payment calculation amounts:
 Outside Downtown, SM-SLU, SM-U 85, and SM-NG zones

Zone	Payment calculation amount per square foot		
	Low	Medium	High
Zones with an (M) suffix	(((\$7.00)) <u>\$9.25</u>	(((\$13.25)) <u>\$17.25</u>	(((\$20.75)) <u>\$27.42</u>
Zones with an (M1) suffix	(((\$11.25)) <u>\$14.87</u>	(((\$20.00)) <u>\$26.43</u>	(((\$29.75)) <u>\$39.31</u>
Zones with an (M2) suffix	(((\$12.50)) <u>\$16.52</u>	(((\$22.25)) <u>\$29.40</u>	(((\$32.75)) <u>\$43.28</u>

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2. Automatic adjustments to payment amounts. ~~((On March 1, 2017, and on the same day in 2018 and 2019, the amounts for payment calculations according to Table A and Table B for 23.58C.040 shall automatically adjust in proportion to the annual change for the previous calendar year (January 1 through December 31) in the Consumer Price Index, All Urban Consumers, Seattle Tacoma Seattle Tacoma Bellevue, WA, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index. On March 1, 2020, and on the same day each year thereafter, the))~~ The amounts for payment calculations according to Table A and Table B for 23.58C.040 shall automatically adjust annually on March 1, starting in 2024, by an amount in proportion to ~~((the annual increase for the previous calendar year (January 1 through December 31)))~~ the increase, if any, for January 1 through December 31 of the prior calendar year, in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma-Bellevue, WA, Shelter (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index.

1 B. Use of cash contributions

2 1. The Director of Housing shall be authorized to accept all cash contributions on
3 behalf of the City. Cash contributions shall be deposited by the Director of Housing in a special
4 account and shall be used for purposes authorized by RCW 36.70A.540. Earnings on balances in
5 the special account shall accrue to that account. At least ~~((5))~~ five percent of total cash
6 contributions on a yearly basis shall be dedicated to support ownership housing. ~~((Dedicated
7 funds may be committed over multiple years based on availability of eligible projects.))~~

8 2. Income levels

9 a. Rental housing supported by cash contributions shall be rent- and
10 income-restricted to serve households with incomes no greater than 60 percent of median income
11 for a minimum period of 50 years, with an expectation of ongoing affordability.

12 b. Ownership housing supported by cash contributions shall be priced to
13 serve and sold to households with incomes no greater than 80 percent of median income for a
14 minimum period of 50 years, with an expectation of ongoing affordability.

15 3. Location. For purposes of determining the location for use of cash
16 contributions, the City shall consider the extent to which the housing supported by cash
17 contributions advances the following factors:

18 a. Affirmatively furthering fair housing choice;

19 b. Locating within an urban center or urban village;

20 c. Locating in proximity to frequent bus service or current or planned light
21 rail or streetcar stops;

1 d. Furthering City policies to promote economic opportunity and
2 community development and addressing the needs of communities vulnerable to displacement;
3 and((;))

4 e. ((locating)) Locating near developments that generate cash
5 contributions.

6 Section 56. Section 23.58C.050 of the Seattle Municipal Code, last amended by
7 Ordinance 126509, is amended as follows:

8 **23.58C.050 Affordable housing – ((performance)) Performance option**

9 A. Performance amount

10 1. An applicant complying with this Chapter 23.58C through the performance
11 option shall provide, as part of the units to be developed in each structure, a number of MHA-R
12 units that meet the requirements according to subsection 23.58C.050.C calculated by multiplying
13 the percentage set aside according to Table A or Table B for 23.58C.050 and Map A for
14 23.58C.050, as applicable, by the total number of units to be developed in each structure,
15 excluding units in a domestic violence shelter.

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

19 a. Round up to two units; or

20 b. Provide one dwelling unit that meets the requirements according to
21 subsection 23.58C.050.C that is three bedrooms or larger, as determined by the Director of
22 Housing.

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

4 a. Round up to the nearest whole unit; or

5 b. Round down to the nearest whole unit and pay a cash contribution for
6 the fraction of a unit not otherwise provided, calculated by multiplying the payment calculation
7 amount per square foot according to Table A or Table B for 23.58C.040 and Map A for
8 23.58C.050, as applicable, by the total gross floor area to be developed as measured according to
9 subsection 23.58C.040.A.1, multiplying that product by the fraction of a unit not provided, and
10 dividing the resulting number by the total number of units required to be provided based on the
11 calculation according to subsection 23.58C.050.A.1. Use of cash contributions according to this
12 subsection 23.58C.050.A.3.b shall be governed according to subsection 23.58C.040.B.

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

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

20 1) Round up to two units; or

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

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

4 1) Round up to the nearest whole unit; or

5 2) Round down to the nearest whole unit and pay a cash

6 contribution for the fraction of a unit not otherwise provided, calculated according to subsection
7 23.58C.050.A.3.b; and

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

12 * * *

13 B. Duration. The obligation, as to a structure that includes MHA-R units to whose
14 development this Chapter 23.58C applies according to subsection 23.58C.025.B, to provide units
15 that meet the requirements (~~(according to)~~) of subsection 23.58C.050.C in the amount required
16 according to subsection 23.58C.050.A, subject to any applicable modifications, shall last:

17 1. If rental MHA-R units are provided to comply with this Chapter 23.58C:

18 a. For a period of 75 years from the date of certificate of occupancy or, if a
19 certificate of occupancy is not required, from the date of the final building permit inspection, for
20 the development to which this Chapter 23.58C applies according to subsection 23.58C.025.B, or

21 b. Until such earlier time when:

22 1) The structure is demolished, or its use is changed, so as to
23 eliminate all of the units to whose development this Chapter 23.58C applies according to

1 subsection 23.58C.025.B in that structure, and the requirements ~~((according to))~~ of subsection
2 23.58C.050.C.6.j are met; or

3 2) All of the units to whose development this Chapter 23.58C
4 applies according to subsection 23.58C.025.B in the structure are converted to ownership
5 housing, and the requirements ~~((according to))~~ of subsection 23.58C.050.C.6.i are met; or

6 2. If ownership MHA-R units are provided to comply with this Chapter 23.58C,
7 for a period of 75 years from the date of certificate of occupancy or, if a certificate of occupancy
8 is not required, from the date of the final building permit inspection, for the development to
9 which this Chapter 23.58C applies according to subsection 23.58C.025.B.

10 C. Performance requirements. ~~((Units))~~ MHA-R units provided to comply with this
11 Chapter 23.58C through the performance option shall meet the following requirements:

12 1. Distribution. ~~((Units provided through the performance option))~~ MHA-R units
13 shall be generally distributed throughout each structure in the development containing units.

14 2. Comparability ~~((Units provided through the performance option))~~ MHA-R
15 units shall be comparable to the other units to be developed in terms of the following:

16 a. Status as a dwelling unit, live-work unit, or congregate residence
17 sleeping room;

18 b. Number and size of bedrooms and bathrooms;

19 c. Net unit area measured ~~((by square feet))~~ according to subsection
20 23.86.007.B;

21 d. Access to amenity areas;

22 e. Functionality; and

23 f. Term of the lease.

1 3. Eligible households. (~~Units provided through the performance option~~) MHA-

2 R units shall serve only:

3 a. At initial occupancy by a household:

4 1) For a rental MHA-R unit with net unit area of 400 square feet or
5 less, households with incomes no greater than 40 percent of median income;

6 2) For a rental MHA-R unit with net unit area of greater than 400
7 square feet, households with incomes no greater than 60 percent of median income;

8 3) For an ownership MHA-R unit, households with incomes no
9 greater than 80 percent of median income, and that meet a reasonable limit on assets. The
10 Director of Housing shall establish by rule the method to establish a reasonable limit on assets.

11 b. At the time of annual certification according to subsection

12 23.58C.050.C.6.c:

13 1) For a rental MHA-R unit with net unit area of 400 square feet or
14 less, households with incomes no greater than 60 percent of median income;

15 2) For a rental MHA-R unit with net unit area of greater than 400
16 square feet, households with incomes no greater than 80 percent of median income.

17 4. Affirmative marketing. (~~Units provided through the performance option~~)

18 MHA-R units shall be affirmatively marketed to attract eligible households from all racial,
19 ethnic, and gender groups in the housing market area of the property, particularly to inform and
20 solicit applications from households who are otherwise unlikely to apply for housing in the
21 development. Proposed marketing efforts shall be submitted to the Office of Housing for review
22 and approval. Records documenting affirmative marketing efforts shall be maintained and
23 submitted to the Office of Housing upon request.

1 5. ~~((Public subsidy. If any public subsidy, including the Multifamily Housing~~
2 ~~Property Tax Exemption authorized by Chapter 5.73 and chapter 84.14 RCW, is used for a~~
3 ~~development containing units provided through the performance option on the same lot as the~~
4 ~~development required to comply with this Chapter 23.58C, and the public subsidy operates~~
5 ~~through subjecting some of the units in the development to restrictions on the income levels of~~
6 ~~occupants and the rents or sale prices that may be charged, the units provided to comply with this~~
7 ~~Chapter 23.58C shall be different units than the units that are subject to such restrictions as a~~
8 ~~condition of the public subsidy.)) Affordable housing; no other restrictions. MHA-R units and
9 restricted units provided for any other reason, including a property tax exemption or loans and
10 grants, must be different units.~~

11 6. Additional requirements for rental MHA-R units provided through the
12 performance option

13 a. Rent levels. Monthly rent for MHA-R units shall not exceed 30 percent
14 of 60 percent of median income or, in the case of rental units with net unit area of 400 square
15 feet or less, 30 percent of 40 percent of median income. For purposes of this subsection
16 23.58C.050.C.6.a, “monthly rent” includes a utility allowance for heat, gas, electricity, water,
17 sewer, and refuse collection, to the extent such items are not paid for tenants by the owner, and
18 any recurring fees that are required as a condition of tenancy.

19 b. Limitation on charges. Fees charged to eligible households upon move-
20 in or transfer within the development shall be limited to a reasonable level to be established by
21 the Director of Housing by rule. No tenant of a rental MHA-R unit may be charged fees for
22 income verifications or reporting requirements related to this Chapter 23.58C.

23 c. Annual certification, third party verification

1 1) The owner of the (~~rental unit~~) structure that includes the
2 MHA-R units shall obtain from each tenant, no less than annually, a certification of household
3 size and annual income in a form acceptable to the City. The owner shall examine the income of
4 each tenant household in accordance with 24 CFR 5.609, with guidance from the HUD
5 Occupancy Handbook 4350.3, Chapter 5. The owner also shall examine the income and
6 household size of any tenant at any time when there is evidence that the tenant's written
7 statement was not complete or accurate. If so requested by the City, the owner shall obtain such
8 certifications and/or examine incomes and household sizes at any other times upon reasonable
9 advance notice from the City. The owner shall maintain all certifications and documentation
10 obtained according to this subsection 23.58C.050.C.6.c.1 on file for at least six years after they
11 are obtained, and shall make them available to the City for inspection and copying promptly
12 upon request.

13 2) (~~Owners of rental units~~) The owner of the structure that
14 includes MHA-R units shall attempt to obtain third party verification whenever possible to
15 substantiate income at each certification, which shall include contacting the individual income
16 source(s) supplied by the household. The verification documents shall be supplied directly to the
17 independent source by the owner and returned directly to the owner from the independent source.
18 In the event that the independent source does not respond to the owner's faxed, mailed, or
19 emailed request for information, the owner may pursue oral third party verification. If written or
20 oral third party documentation is not available, the owner may accept original documents (pay
21 stubs, W-2, etc.) at the discretion of the Director of Housing and shall document why third party
22 verification was not available. At the discretion of the Director of Housing, the owner may

1 accept tenant self-certifications after the initial income verification and first annual
2 recertification.

3 d. Reporting. ~~((At such times))~~ Periodically as may be ~~((authorized))~~
4 required by the Director of Housing, but no less than annually, the owner of the ~~((rental unit))~~
5 structure that includes the MHA-R units shall submit to the ~~((Director))~~ Office of Housing a
6 written report~~((, verified upon oath or affirmation by the owner,))~~ demonstrating compliance
7 with and housing outcomes of this Chapter 23.58C. The report shall include required information
8 and supporting documentation, verified upon the owner's oath or affirmation and in a form
9 prescribed by the Office of Housing. ~~((The written report shall state, at a minimum, the~~
10 ~~occupancy and vacancy of each rental unit, the monthly rent charged for the unit, and the income~~
11 ~~and size of the household occupying the unit. The Director of Housing may require other~~
12 ~~documentation to ensure compliance with this subsection 23.58C.050.C, including but not~~
13 ~~limited to documentation of rents, copies of tenant certifications, documentation supporting~~
14 ~~determinations of tenant income (including employer's verification or check stubs), and other~~
15 ~~documentation necessary to track program outcomes and the demographics of households~~
16 ~~served. The first annual report shall include documentation of issuance of the certificate of~~
17 ~~occupancy or final building permit inspection for the rental unit.))~~ The Director of Housing is
18 authorized to assess a late fee of \$50 per day, ~~((to))~~ which shall accrue until the report is
19 submitted, starting 14 days from the date of the Office of ~~((Housing notifies the owner of the~~
20 ~~rental unit))~~ Housing's notice that the report is overdue~~((, until the report is submitted))~~.

21 e. Annual fee. The owner of the ~~((rental unit))~~ units shall pay the Office of
22 Housing an annual fee of ~~(((\$150))~~ \$190 per ~~((rental))~~ MHA-R unit for the ~~((purposes))~~ purpose
23 of monitoring compliance with the requirements ~~((according to))~~ of this Section 23.58C.050.

1 ~~((On March 1, 2017, and on the same day each year thereafter, the annual fee shall automatically~~
2 ~~adjust in proportion to the annual change for the previous calendar year (January 1 through~~
3 ~~December 31))~~ The fee shall automatically adjust annually on March 1, starting in 2024, by an
4 amount in proportion to the increase, if any, for January 1 through December 31 of the prior
5 calendar year, in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma-Bellevue,
6 WA, All Items (1982-1984 = 100), as determined by the U.S. Department of Labor, Bureau of
7 Labor Statistics or successor index.

8 f. Over-income households; unit substitution. If, based on any
9 certification, a previously eligible household occupying a rental unit provided through the
10 performance option is determined to be ineligible due to exceeding the income limits according
11 to subsection 23.58C.050.C.3.b, the owner of the development to which this Chapter 23.58C
12 applies shall, through the process according to subsection 23.58C.030.A.6, designate a
13 comparable substitute rental unit within the development, as approved by the Director of
14 Housing, as soon as such a unit becomes available, and upon such designation the requirements
15 ~~((according to))~~ of this subsection 23.58C.050.C shall transfer to the substitute unit. Upon such
16 determination that a previously eligible household is ineligible, the owner shall promptly give the
17 ineligible household notice of such determination and notice that the requirements ~~((according~~
18 ~~to))~~ of this subsection 23.58C.050.C will transfer to a substitute unit when such unit becomes
19 available. Upon the transfer of the requirements, the owner shall give the ineligible household six
20 months' notice prior to any rent increase.

21 g. Maintenance, insurance. ~~((Rental units provided through the~~
22 ~~performance option))~~ MHA-R units, and the structure in which they are located, shall be
23 maintained by the owner in decent and habitable condition, including the provision of adequate

1 basic appliances. The owner shall keep such units, and the structure in which they are located,
2 insured by an insurance company licensed to do business in the state of Washington and
3 reasonably acceptable to the City, against loss by fire and other hazards included with broad
4 form coverage, in the amount of 100 percent of the replacement value.

5 h. Casualty

6 1) If a rental unit provided through the performance option is
7 destroyed or rendered unfit for occupancy by casualty that does not affect all of the other units in
8 the development to which this Chapter 23.58C applies, the owner of the development shall,
9 through the process according to subsection 23.58C.030.A.6, designate a comparable substitute
10 rental unit within the development, as approved by the Director of Housing, as soon as such a
11 unit becomes available, which the tenant household of the unit affected by casualty shall be
12 allowed to move into, and upon such designation the requirements ~~((according to))~~ of this
13 subsection 23.58C.050.C shall transfer to the substitute unit.

14 2) If all of the units in the development to which this Chapter
15 23.58C applies are substantially destroyed by casualty, including by earthquake or fire, the
16 requirements ~~((according to))~~ of this subsection 23.58C.050.C shall terminate.

17 i. Conversion ~~((to ownership))~~ of housing from rental to ownership. If all
18 of the units to whose development this Chapter 23.58C applies according to subsection
19 23.58C.025.B in a structure are converted to ownership housing, including through a conversion
20 to condominiums, prior to 75 years from the date of certificate of occupancy or, if a certificate of
21 occupancy is not required, from the date of the final building permit inspection, for the
22 development to which this Chapter 23.58C applies according to subsection 23.58C.025.B:

1 1) The owner of the development shall, at the time of such
2 conversion, either pay to the City a payment in lieu of continuing affordability or convert the
3 rental (~~((units provided through the performance option))~~) MHA-R units to ownership (~~((units~~
4 ~~provided through the performance option))~~) MHA-R units, as follows:

5 a) Where a payment in lieu of continuing affordability is
6 made, the amount of the payment shall be equal to the amount of the cash contribution according
7 to subsection 23.58C.040.A that would have been required (~~((at the time of issuance of the first~~
8 ~~building permit that includes the structural frame for the structure if the applicant had elected the~~
9 ~~payment option,))~~) based on the payment amount in effect on the vesting date for the Master Use
10 Permit under Section 23.76.026 or, if no Master Use Permit is required, on the filing date for the
11 valid and fully complete permit application adjusted ((for each calendar year following issuance
12 of that permit)) by an amount in proportion to (~~((the annual))~~) the increase, if any, in the Consumer
13 Price Index, All Urban Consumers, Seattle-Tacoma- Bellevue, WA, Shelter (1982-1984 = 100),
14 as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index,
15 from the most recent month for which data are available on or before the vesting date for the
16 Master Use Permit under Section 23.76.126 or, if a Master Use Permit is not required, the filing
17 date for the valid and fully complete permit application, to the most recent month for which data
18 are available at the time of payment, multiplied ((times)) by the percentage in Table C for
19 23.58C.050 that corresponds to the number of years that the rental ((units provided through the
20 performance option)) MHA-R units satisfied the requirements (~~((according to))~~) of this subsection
21 23.58C.050.C. The City shall use the payment to support ((continued)) long-term housing
22 affordability in The City of Seattle consistent with applicable statutory requirements.

Table C for 23.58C.050

1 its use is changed, prior to 75 years from the date of certificate of occupancy or, if a certificate of
2 occupancy is not required, from the date of the final building permit inspection, for the
3 development to which this Chapter 23.58C applies according to subsection 23.58C.025.B, so as
4 to eliminate all of the units to whose development this Chapter 23.58C applies according to
5 subsection 23.58C.025.B in that structure, the owner of the development shall pay to the City a
6 payment in lieu of continuing affordability for each rental unit provided through the performance
7 option that is eliminated, as follows:

8 a) The payment shall be based on the difference between
9 the monthly restricted rent according to subsection 23.58C.050.C.6.a for each rental unit
10 provided through the performance option that is eliminated and the average monthly rent of a
11 comparable unit according to subsection 23.58C.050.C.2 that is not subject to rent and income
12 restrictions and is located in the same payment and performance area as shown on Map A for
13 23.58C.050, multiplied by the typical number of months between demolition of multifamily
14 housing on a property and completion of redevelopment of a property in the zone in which the
15 eliminated rental unit is located, not to exceed 30 months. The Director shall by rule establish an
16 appropriate methodology and inputs for determining the payment amount in particular zones.

17 b) The City shall use the payment to support ~~((continued))~~
18 long-term housing affordability in The City of Seattle, including but not limited to providing
19 rental assistance to the tenants of rental ~~((units provided through the performance option))~~ MHA-
20 R units that were eliminated.

21 2) If the units to whose development this Chapter 23.58C applies
22 according to subsection 23.58C.025.B are in multiple structures and an individual structure is
23 demolished, or its use is changed, prior to 75 years from the date of certificate of occupancy or,

1 if a certificate of occupancy is not required, from the date of the final building permit inspection,
2 for the development to which this Chapter 23.58C applies according to subsection 23.58C.025.B,
3 so as to eliminate all of the units to whose development this Chapter 23.58C applies according to
4 subsection 23.58C.025.B in the individual structure, the owner of the development shall:

5 a) Except as provided according to subsection
6 23.58C.050.C.6.j.2.b, pay to the City a payment in lieu of continuing affordability according to
7 subsection 23.58C.050.C.6.j.1.a for each rental unit provided through the performance option
8 that is eliminated; or

9 b) If a rental unit that is eliminated resulted from the
10 combination of fractions of units according to subsection 23.58C.050.A.4, designate, subject to
11 review by the Director in consultation with the Director of Housing, a comparable substitute
12 rental unit within the other structures to replace each such unit that is eliminated or, if such
13 designation is not possible, pay to the City a payment in lieu of continuing affordability
14 according to subsection 23.58C.050.C.6.j.1.a.

15 c) Demolition or change of use of an individual structure
16 shall not be a basis for reducing the number of rental (~~units provided through the performance~~
17 ~~option~~) MHA-R units in the other structures and any comparable substitute rental units shall be
18 in addition to any existing rental (~~units provided through the performance option~~) MHA-R
19 units in the other structures.

20 7. Additional requirements for ownership MHA-R units provided through the
21 performance option

22 a. Affordable sale price; down payment. The initial sales price for an
23 ownership unit provided through the performance option shall be an amount according to which

1 total ongoing housing costs do not exceed 35 percent of 65 percent of median income, in order to
2 allow for equity growth for individual homeowners while maintaining affordability for ((future))
3 income-eligible buyers. The Director of Housing shall establish by rule the method for
4 calculating the initial sales price including standard assumptions for determining upfront housing
5 costs, including the down payment, and ongoing housing costs, which shall include mortgage
6 principal and interest payments, homeowner's insurance payments, homeowner or condominium
7 association dues and assessments, and real estate taxes and other charges included in county tax
8 billings. The Director of Housing may establish a maximum down payment amount for eligible
9 households at initial sale of an ownership unit. The applicant for ((the)) a development to which
10 this Chapter 23.58C applies shall be responsible for any costs incurred in the initial sale of an
11 ownership unit necessary to ensure compliance with this Chapter 23.58C, including but not
12 limited to marketing to eligible households, income verification, buyer education, and
13 verification of buyer financing.

14 b. Affordable resale price. For an ownership unit provided through the
15 performance option, the sale price for sales subsequent to the initial sale shall be calculated to
16 allow modest growth in homeowner equity while maintaining long-term affordability for
17 ((future)) income-eligible buyers. All buyers of an ownership unit subsequent to the initial sale
18 shall be households with incomes no greater than 80 percent of median income at initial
19 occupancy. The Director of Housing shall by rule:

20 1) Establish the method for calculating the resale price and may
21 establish a maximum down payment amount for eligible households at resale,

22 2) Establish specific requirements for documents ensuring
23 affordability requirements are met at resale, and

1 3) Provide for recovery of reasonable administrative costs.

2 c. Other restrictions. An eligible household purchasing an ownership unit
3 provided through the performance option, either at initial sale or resale, shall:

4 1) Occupy the unit as its principal residence for the duration of its
5 ownership and shall not lease the unit, unless the Director of Housing approves a limited short-
6 term exception, and

7 2) Comply with all other ((~~program~~)) rules established by the
8 Director of Housing as necessary to maintain the long-term viability of the MHA-R unit. Such
9 rules may include, but are not limited to, refinancing approvals and debt limits; limits on credit
10 for capital improvements at the time of resale; requirements for basic maintenance, inspections,
11 and compliance procedures; minimum insurance requirements; obligations to provide
12 information regarding compliance when and as requested; and fees to cover the full costs of
13 calculating the maximum sales price at resale, marketing to eligible households, and screening
14 and selecting eligible households to purchase the unit at resale.

15 d. Annual fee. The owner of the ownership unit shall pay the Office of
16 Housing an annual fee, payable in 12 equal payments, for the ((~~purposes~~)) purpose of monitoring
17 compliance with the requirements ((~~according to~~)) of this Section 23.58C.050. The initial fee
18 shall be established by the Director of Housing by rule. ((~~On March 1, 2017, and on the same~~
19 ~~day each year thereafter, the annual fee shall automatically adjust in proportion to the annual~~
20 ~~change for the previous calendar year (January 1 through December 31))~~) The annual fee shall
21 automatically adjust annually on March 1, starting in 2024, by an amount in proportion to the
22 increase, if any, for January 1 through December 31 of the prior calendar year, in the Consumer

1 Price Index, All Urban Consumers, Seattle-Tacoma-Bellevue, WA, All Items (1982-1984 = 100),
2 as determined by the U.S. Department of Labor, Bureau of Labor Statistics or successor index.

3 e. Ongoing stewardship. Either (~~prior to or subsequent to~~) before or after
4 the initial sale, the Director of Housing is authorized to designate an agency or organization with
5 sufficient capacity, as approved by the Director of Housing, to perform ongoing stewardship and
6 management functions for ownership (~~(units provided through the performance option)~~) MHA-R
7 units, including but not limited to the following:

- 8 1) Calculating maximum sale prices;
- 9 2) Marketing sales to eligible households;
- 10 3) Screening, educating, and selecting eligible households;
- 11 4) Approving buyer financing; and
- 12 5) Managing successive resales to eligible households.

13 f. Periodically as may be required by the Director of Housing, but no less
14 than annually, the applicant or third-party stewardship entity, as applicable, shall submit to the
15 Office of Housing a written report demonstrating compliance with and housing outcomes of this
16 Section 23.58C.050. The report shall include required information and supporting
17 documentation, verified upon the owner's oath or affirmation and in a form prescribed by the
18 Office of Housing. The Director of Housing is authorized to assess a late fee of \$50 per day,
19 which shall accrue until the report is submitted, starting 14 days from the date of the Office of
20 Housing's notice that the report is overdue.

21 8. Additional requirements for MHA-R units provided through the performance
22 option on a site other than the same lot as the development required to comply with this Chapter
23 23.58C(~~(:)~~)

1 a. Equal or better – comparability of units. The applicant shall demonstrate
2 to the satisfaction of the Director of Housing that ((units provided through the performance
3 option)) MHA-R units on a site other than the same lot as the development required to comply
4 with this Chapter 23.58C are equal to or better than ((units provided through performance))
5 MHA-R units on the same lot.

6 b. Location. ((Units provided through the performance option)) MHA-R
7 units on a site other than the same lot as the development required to comply with this Chapter
8 23.58C shall be located in a Lowrise or RSL zone. In addition, units shall be located:

9 1) Within the same urban center or urban village as the
10 development required to comply with this Chapter 23.58C; or

11 2) Within ((one)) 1 mile of the development required to comply
12 with this Chapter 23.58C if such development is located outside of an urban center or urban
13 village.

14 c. Tenure. ((Units provided through the performance option)) MHA-R
15 units on a site other than the same lot as the development required to comply with this Chapter
16 23.58C shall be ownership units and shall comply with all additional requirements for ownership
17 units according to subsection 23.58C.050.C.7.

18 d. Public subsidy. If any public subsidy is used for a development, and the
19 public subsidy operates through subjecting units in the development to restrictions on the income
20 levels of occupants and the rents or sale prices that may be charged, the development shall not be
21 eligible to provide units through the performance option according to subsection 23.58C.050.C.8.

22 e. Developer's agreement. If the owner of the development required to
23 comply with this Chapter 23.58C is not the owner of the ((units provided through the

1 ~~performance option~~) MHA-R units, then in addition to the agreement required according to
2 subsection 23.58C.050.E, the owner of the development required to comply with this Chapter
3 23.58C and the owner of the (~~units provided through the performance option~~) MHA-R units
4 shall execute a developer's agreement, acceptable to the Director of Housing, allowing the
5 exclusive use of the (~~units provided through the performance option~~) MHA-R units to satisfy
6 the requirements (~~according to~~) of this Chapter 23.58C in return for necessary and adequate
7 financial support to the development of those (~~units provided through the performance option~~)
8 MHA-R units.

9 f. Letter of credit

10 1) If the (~~units provided through the performance option~~) MHA-
11 R units are located on a site other than the same lot as the development required to comply with
12 this Chapter 23.58C, the owner of the development required to comply with this Chapter 23.58C
13 shall provide to the Director of Housing an irrevocable bank letter of credit, approved by the
14 Director of Housing, in the amount according to subsection 23.58C.040.A.

15 2) The Director of Housing may draw on the letter of credit one
16 year after the date of issuance of the certificate of occupancy, or, if a certificate of occupancy is
17 not required, the final building permit inspection, for the development required to comply with
18 this Chapter 23.58C if the certificate of occupancy or final building permit inspection for the
19 (~~units provided through the performance option~~) MHA-R units has not been issued on or before
20 that date. The owner of the development required comply with this Chapter 23.58C shall also
21 pay an amount equal to the interest on the cash contribution, at the rate equal to the prime rate
22 quoted by Bank of America, or its successor, plus three percent per annum, from the date of

1 issuance of the first building permit that includes the structural frame for the development
2 required to comply with this Chapter 23.58C.

3 3) If and when the City becomes entitled to draw on any letter of
4 credit, the Director of Housing may take appropriate steps to do so, and the amounts realized, net
5 of any costs to the City, shall be used in the same manner as cash contributions according to
6 subsection 23.58C.040.B.

7 D. Enforcement. The requirements (~~((according to))~~) of this Section 23.58C.050 shall be
8 terms of the building permit according to subsection 23.58C.030.A.5. In addition to any other
9 remedies available to the City, the City is authorized to enforce such permit terms using the
10 procedures of Chapter 23.90.

11 E. Agreement. If the applicant elects to comply with this Chapter 23.58C through the
12 performance option, the City and the property owner of the development to which this Chapter
13 23.58C applies shall enter into an agreement specifying the requirements (~~((according to))~~) of this
14 Section 23.58C.050. The agreement shall be recorded on the title of the property on which that
15 development is located. The requirements specified in the agreement shall be consistent with the
16 final plans. If the first building permit is issued for the structural frame for the structure that
17 includes affordable housing according to this Chapter 23.58C, and such structure is acquired to
18 provide City-funded low-income housing, the agreement according to this subsection
19 23.58C.050.E may be released at the sole discretion of the Director of Housing.

20 Section 57. Section 23.66.100 of the Seattle Municipal Code, last amended by Ordinance
21 123589, is amended as follows:

22 **23.66.100 Creation of district, legislative findings and purpose**

1 A. During the ~~((City))~~ city of Seattle's relatively brief history, it has had little time in
2 which to develop areas of consistent historical or architectural character. It is recognized that the
3 Pioneer Square area of Seattle ~~((contains))~~ has many of these rare attributes and consequently is
4 an area of great historical and cultural significance. Further, the regional sports stadiums,
5 constructed in and near the Pioneer Square area, and the traffic and activities that they generate
6 have resulted in adverse impacts upon the social, cultural, historic, and ethnic values of the
7 Pioneer Square area. To preserve, protect, and enhance the historic character of the Pioneer
8 Square area and the buildings therein; to return unproductive structures to useful purposes; to
9 attract visitors to the City; to avoid a proliferation of vehicular parking and vehicular-oriented
10 uses; to provide regulations for existing on-street and off-street parking; to stabilize existing
11 housing, and encourage a variety of new and rehabilitated housing types for ~~((all income~~
12 ~~groups))~~ people of all incomes; to encourage the use of transportation modes other than the
13 private automobile; to protect existing commercial vehicle access; to improve visual and urban
14 relationships between existing and future buildings and structures, parking spaces and public
15 improvements within the area; and to encourage pedestrian uses, there is established as a special
16 review district, the Pioneer Square Preservation District. The boundaries of the District are
17 shown on Map A for 23.66.100 and on the Official Land Use Map.

18 * * *

19 C. Reasons for ~~((Designating))~~ designating the Pioneer Square Preservation District~~((:-))~~

20 1. Historic ~~((Significance))~~ significance. The Pioneer Square Preservation District
21 is unique because it is the site of the beginning of The City of Seattle. The area also retains much
22 of the original architecture and artifacts of its early history. The District has played a significant
23 role in the development of Seattle, the Puget Sound region and The State of Washington. It was

1 the first location of industry, business, and homes in early Seattle and the focus of commerce and
2 transportation for more than a half-century.

3 2. Architectural (~~(Significance)~~) significance. As a collection of late nineteenth
4 and early twentieth-century buildings of similar materials, construction techniques and
5 architectural style, the District is unique, not only to the City but to the country as well. Most of
6 the buildings within the District embody the distinctive characteristics of the Late Victorian
7 style. Many buildings are the work of one architect, Elmer H. Fisher. For these and other
8 reasons, the buildings combine to create an outstanding example of an area that is distinguishable
9 in style, form, character, and construction representative of its era.

10 3. Social (~~(Diversity)~~) diversity. The District represents an area of unique social
11 diversity where people (~~(from many income levels and social strata)~~) with a wide range of
12 incomes live, shop, and work. It is an area (~~(in which social services, including missions,)~~) with
13 market-rate housing as well as low-income housing, emergency shelters, and (~~(service agencies~~
14 ~~exist)~~) human services.

15 4. Business (~~(Environment)~~) environment. The District is an area of remarkable
16 business diversity. The street level of the area north of S. King Street is pedestrian-oriented, with
17 its storefronts occupied primarily by specialty retail shops, art galleries, restaurants, and taverns.
18 The upper floors of buildings in the historic core are occupied by professional offices, various
19 types of light manufacturing, and housing for persons (~~(of many income groups)~~) with a wide
20 range of incomes. The area south of S. King Street includes the stadium's north parking lot, a
21 number of structures occupied by light manufacturing and warehousing use, and several
22 structures converted to office, residential, and mixed use. The stadium's north parking lot may be
23 redeveloped to accommodate a mix of uses, including a substantial amount of housing. The

1 ongoing restoration and sensitive rehabilitation of many District structures, combined with
2 proposed compatible new construction, will continue to enhance the District's economic climate.

3 5. Educational (~~(Value)~~) value. The restoration and preservation of the District
4 will yield information of educational significance regarding the way of life and the architecture
5 of the late nineteenth(~~(-)~~)century as well as adding interest and color to the City. Restoration of
6 the District will preserve the environment that was characteristic of an important era of Seattle's
7 history.

8 6. Geographic (~~(Location)~~) location. The District is uniquely situated adjacent to
9 Seattle's waterfront, the central business district, the International District, and sports stadium
10 and exhibition center facilities.

11 Section 58. Section 23.66.310 of the Seattle Municipal Code, last amended by Ordinance
12 123589, is amended as follows:

13 **23.66.310 Union Station Corridor goals and objectives**

14 The Union Station Corridor is that area bounded by Yesler Way, Fifth Avenue South, Airport
15 Way South, and Fourth Avenue South. The City, in cooperation with King County Metro, local
16 property owners and the affected community, formulated a strategy for the redevelopment of the
17 Union Station Corridor in coordination with the Downtown Transit Project. Specific objectives
18 for a Planned Community Development in the Union Station Corridor include the following:

19 A. Preservation. The historic Union Station structure should be retained and rehabilitated
20 with consideration given to a mix of private and public uses.

21 B. Uses. Development in the Corridor should incorporate a mix of uses, such as office,
22 housing, hotel, and retail uses in conformance with its International District zoning and the
23 regulations of the International Special Review District. Retention of (~~(existing)~~) low-income

1 housing should be given a high priority. Consideration should be given to the inclusion of public
2 open space and public uses serving the community.

3 * * *

4 Section 59. Section 23.70.008 of the Seattle Municipal Code, enacted by Ordinance
5 126519, is amended as follows:

6 **23.70.008 Permitted and prohibited uses**

7 A. Residential uses. Mobile homes(;) and mobile home parks(;) that meet the
8 requirements of subsection 23.70.010.A and ((low income housing meeting)) housing that meets
9 the requirements of ((this Chapter 23.70)) subsection 23.70.010.B are permitted outright. All
10 other residential uses are prohibited.

11 * * *

12 Section 60. Section 23.70.010 of the Seattle Municipal Code, enacted by Ordinance
13 126519, is amended as follows:

14 **23.70.010 Development standards for residential uses**

15 A. Mobile homes and mobile home parks

16 1. In addition to the development standards in this Chapter 23.70, mobile homes
17 and mobile home parks are subject to the development standards in Chapter 22.904.

18 2. The maximum height for residential structures is 30 feet. The height limit
19 exceptions and additions of the LR zones pursuant to Section 23.45.514 apply.

20 3. Setbacks and separations. Setbacks shall be from mobile home park lot lines as
21 follows:

22 a. Minimum of 5 feet from any street lot line; and

23 b. Minimum of 5 feet from any lot line abutting a single-family zone.

1 B. (~~Low income housing. Low income housing~~) Housing and right of first offer
2 requirements. Housing on a site that is owned by a government entity, non-profit, or religious
3 organization(~~(, and meeting)~~) and that meets the requirements of this Chapter 23.70 (~~(are)~~) is
4 subject to the development standards of the underlying zone. (~~In the event that low income~~
5 ~~housing is provided by a religious organization, the density bonuses under Section 23.42.055~~
6 ~~apply, but low income housing must comply with the~~) The affordability requirements pursuant
7 to this subsection 23.70.010.B shall apply in the event of a conflict with affordability
8 requirements upon which alternative development standards are conditioned according to Section
9 23.42.055, if applicable.

10 (~~1. Affordability requirements~~)

11 (~~(a-)~~) 1. Eligible households. Except as provided in subsection (~~(23.70.010.B.1.e)~~)
12 23.73.010.B.5 , all dwelling units or congregate residence sleeping rooms shall serve only:

13 (~~(1)~~) a. For rental units, households with incomes no greater than 60
14 percent of median income(~~(, adjusted by household size)~~).

15 (~~(2)~~) b. For ownership units, households with incomes no greater than 80
16 percent of median income(~~(, adjusted by household size)~~).

17 (~~(b-)~~) 2. Duration. The obligation to provide dwelling units or congregate
18 residence sleeping rooms meeting the requirements of this subsection 23.70.010.B shall last for a
19 period of 75 years from the date of the certificate of occupancy or, if a certificate of occupancy is
20 not required, from the date of the final building permit inspection for the development to which
21 this subsection 23.70.010.B applies.

22 (~~(e-)~~) 3. Affordable rent. Monthly rent shall not exceed 30 percent of 60 percent of
23 median income. (~~For purposes of this subsection 23.70.010.B, "monthly rent" includes a utility~~

1 ~~allowance for heat, gas, electricity, water, sewer, and refuse collection, to the extent such items~~
2 ~~are not paid for tenants by the owner, and any recurring fees that are required as a condition of~~
3 ~~tenancy.~~

4 ~~(d-))~~ 4. Affordable sale price

5 ~~((1))~~ a. Affordable price—~~((initial))~~ Initial sales. The initial affordable sale price
6 must be an amount in which total ongoing housing costs do not exceed 30 percent of 80 percent
7 of median income. The Director of Housing will establish by rule the method for calculating the
8 initial sale price including standard assumptions for determining upfront housing costs, including
9 the down payment, and ongoing housing costs, which must include mortgage principal and
10 interest payments, homeowner's insurance payments, homeowner or condominium association
11 dues and assessments, and real estate taxes and other charges included in county tax billings. The
12 Director of Housing may establish by rule a maximum down payment amount.

13 ~~((2))~~ b. Affordable price—~~((resales))~~ Resales. Eligible households for purchase
14 of an ownership unit subsequent to the initial sale must have incomes no greater than 80 percent
15 of median income at initial occupancy. The Office of Housing will establish by rule the formula
16 for calculating maximum affordable prices for sales subsequent to the initial sale to allow modest
17 growth in homeowner equity while maintaining long-term affordability for ~~((future))~~ income-
18 eligible buyers.

19 ~~((e-))~~ 5. Right of first offer, replacement housing, and initial rent and affordable sales
20 price for current residents~~((:-))~~

21 ~~((1))~~ a. The property owner shall affirmatively offer eligible households of
22 residents of the mobile home park, at the time the relocation report and plan required by Section
23 22.904.410 is submitted, a replacement unit in the ~~((low-income))~~ housing development

1 according to this subsection 23.70.010.B, relocation housing while the (~~low income~~) housing
2 development is under construction, and financial relocation assistance. Financial relocation
3 assistance shall be provided regardless of whether eligible households accept a replacement unit.

4 ((2)) b. For rental units for eligible households of residents of the mobile home
5 park at the time the relocation report and plan required by Section 22.904.410 is submitted, the
6 replacement unit must be equivalent in size to the mobile home in which the resident formerly
7 lived and, notwithstanding the requirements of subsection (~~23.70.010.B.1.e~~) 23.70.010.B.3, the
8 affordable monthly rent, while the resident is a tenant of the development, shall be no greater
9 than 30 percent of 40 percent of median income, adjusted for household size, or one-third of a
10 residents' monthly income, whichever is less. (~~For purposes of this subsection 23.70.010.B,~~
11 ~~"monthly rent" includes a utility allowance for heat, gas, electricity, water, sewer, and refuse~~
12 ~~collection, to the extent such items are not paid for tenants by the owner, and any recurring fees~~
13 ~~that are required as a condition of tenancy.~~) Affordable rent subsequent to the resident being a
14 tenant of the development is determined pursuant to subsection (~~23.70.010.B.1.e~~)
15 23.70.010.B.3.

16 ((3)) c. For ownership units for eligible households of residents of the mobile
17 home park at the time the relocation report and plan required by Section 22.904.410 is submitted,
18 the initial affordable sale price must be an amount in which total ongoing housing costs do not
19 exceed 30 percent of 40 percent of median income. The Director of Housing will establish by
20 rule the method for calculating the initial sale price including standard assumptions for
21 determining upfront housing costs, including the down payment, and ongoing housing costs,
22 which must include mortgage principal and interest payments, homeowner's insurance payments,
23 homeowner or condominium association dues and assessments, and real estate taxes and other

1 charges included in county tax billings. The Director of Housing may establish by rule a
2 maximum down payment amount. Affordable resale prices are determined pursuant to subsection
3 ~~((23.70.010.B.1.d.2))~~ 23.70.010.B.4.b.

4 d. Agreement. As a condition of building permit issuance for a development
5 according to this subsection 23.70.010.B, the property owner and the City must enter into an
6 agreement in a form acceptable to the City that includes housing covenants consistent with this
7 subsection 23.70.010.B and the final plan set approved by the Department. The agreement must
8 be recorded on the title of the property on which the low-income housing development is located.

9 6. For purposes of this Section 23.70.010, "monthly rent" includes a utility allowance for
10 heat, gas, electricity, water, sewer, and refuse collection, to the extent such items are not paid for
11 tenants by the owner, and any recurring fees that are required as a condition of tenancy.

12 Section 61. Section 23.72.002 of the Seattle Municipal Code, enacted by Ordinance
13 118624, is amended as follows:

14 **23.72.002 Purpose and intent~~((τ))~~**

15 The purpose of this ~~((chapter))~~ Chapter 23.72 is to implement the Sand Point amendments to the
16 Comprehensive Plan by regulating land use and development within the Sand Point Overlay
17 District in order to integrate the property into the city of Seattle as a multi-purpose regional
18 center that provides:

19 A. Expanded opportunity for recreation, education, arts, cultural, and community
20 activities;

21 B. Increased public access to the shoreline and enhanced open space and natural areas;

22 C. Opportunities for ~~((affordable))~~ low-income housing and community and social
23 services with a special priority for addressing the needs of homeless families; and

1 D. Expanded opportunity for low-impact economic development uses which could
2 provide employment and services for residents of the property and for the broader community.

3 Section 62. Section 23.72.010 of the Seattle Municipal Code, last amended by Ordinance
4 126509, is amended as follows:

5 **23.72.010 Development standards**

6 * * *

7 D. New structures. Demolition of existing structures and construction of new structures in
8 the Sand Point Overlay District are permitted if in compliance with the following provisions and
9 if consistent with the Sand Point Historic Properties Reuse and Protection Plan, dated April
10 1998, as documented by a letter from the State Historic Preservation Officer certifying that the
11 proposal is consistent with the Plan:

12 1. Any new structure shall be located on and limited to the footprint of a structure
13 that existed on the site as of July 18, 1997, except for:

14 a. ~~((an))~~ An indoor and outdoor tennis center to be located within Subarea
15 B as depicted on Map A for 23.72.004~~((;))~~ ;

16 b. ~~((affordable))~~ Low-income housing ~~((structures))~~ to be located within
17 ~~((L3))~~ LR3 zoned portions of the overlay district~~((;))~~ ; and

18 c. ~~((dry))~~ Dry boat storage.

19 2. In determining the footprint of structures existing on July 18, 1997, interior
20 courtyards enclosed by three or more building walls at least 10 feet in height may be included as
21 part of the footprint.

22 3. Except for a proposed new tennis center in Subarea B, for which the height
23 limit is 45 feet, and except for any new structure used for nonmotorized dry boat storage, for

1 which the height limit is 15 feet, the height limit of a new structure is the greater of the height
2 limit of the underlying zone or the height of the structure that existed on the same site as the new
3 structure as of July 18, 1997.

4 * * *

5 Section 63. Section 23.73.010 of the Seattle Municipal Code, last amended by Ordinance
6 125791, is amended as follows:

7 **23.73.010 Floor area limits outside the Conservation Core**

8 * * *

9 B. Exceptions to floor area limit

10 1. A 15 percent increase in the floor area limit is permitted for projects that meet
11 the following conditions:

12 a. The project retains all the character structures existing on the lot, unless
13 a departure is approved through the design review process to allow the removal of a character
14 structure based on the provisions of subsection 23.41.012.B; and

15 b. The project includes uses that contribute to the area's recognized
16 character as an arts district, including performing arts space or artist-studio dwellings that
17 typically have design requirements such as nonstandard floor-to-ceiling heights that reduce the
18 total amount of usable floor area in a structure; or

19 c. A minimum of 50 percent of the total gross floor area of the project is
20 ~~((housing that is affordable to and occupied by "income-eligible households," as defined in~~
21 ~~Section 23.58A.004, and is subject to recorded covenants approved by the Director that ensure~~
22 ~~that the housing remains available to these households for a minimum of 50 years)) moderate-~~
23 income units; or

1 d. Through the design review process a determination is made that
2 including one or more of the following features offsets the increase in the bulk of the project and
3 allows for a design treatment that achieves the intent of the neighborhood design guidelines
4 better than adhering to the floor area limit that would apply without the exception:

5 1) A landscaped courtyard that is visible from the sidewalk and
6 located primarily at street level on a street that is not a principal pedestrian street;

7 2) A through-block pedestrian corridor that connects parallel
8 streets bounding the project, consistent with the neighborhood design guidelines; or

9 3) Open space at locations that support the gateway and open space
10 concepts promoted in the neighborhood design guidelines.

11 2. Retaining character structures on a lot. A 25 percent increase in the floor area
12 limit established in subsection 23.73.010.A is permitted for a project that retains all the character
13 structures on the same lot according to the provisions in Section 23.73.015, unless a departure is
14 approved through the design review process to allow the removal of a character structure based
15 on the provisions of subsection 23.41.012.B. Any increase in floor area permitted according to
16 this subsection 23.73.010.B.2 shall not be combined with any other increase in floor area
17 permitted according to subsection 23.73.010.B.1 or 23.73.010.B.3.

18 3. A 25 percent increase in the floor area limit is permitted on a lot that qualifies
19 as a receiving site for a project that adds floor area through the use of TDP as permitted by
20 Section 23.73.024, provided that the amount of floor area added through the use of TDP is
21 equivalent to at least 0.25 FAR, as calculated for the receiving site. Any increase in floor area
22 permitted according to this subsection 23.73.010.B.3 shall not be combined with any other
23 increase in floor area permitted according to subsection 23.73.010.B.1 or 23.73.010.B.2.

* * *

Section 64. Section 23.73.016 of the Seattle Municipal Code, enacted by Ordinance 123776, is amended as follows:

23.73.016 Amenity area

A. Amenity area is not required for structures existing as of April 1, 2000, that are repaired, renovated, or structurally altered to the extent permitted by the development standards of the Land Use Code, provided that street-facing facades are retained and 50 percent or more of the gross floor area is retained.

B. Amenity area is not required for ~~((new construction of affordable housing that meets the following:~~

1. ~~At least 40 percent of the units are rented to households at annual rents not exceeding 30 percent of 60 percent of the median income; and~~

2. ~~The applicant demonstrates compliance with these income criteria for the life of the building))~~ low-income housing.

C. ~~((Existing residential uses that meet the amenity area requirements of Section 23.47A.024 may eliminate amenity))~~ Amenity area~~((, provided they comply with subsections 23.73.016.B.1 and B.2))~~ in existing low-income housing may be removed.

* * *

Section 65. Section 23.75.020 of the Seattle Municipal Code, last amended by Ordinance 124378, is amended as follows:

23.75.020 Definitions

A. Scope and applicability

1 “~~((60 percent of MI))~~ 60% AMI unit” means a dwelling unit ~~((of affordable housing,))~~
2 other than a replacement unit or ~~((80 percent of MI))~~ 80% AMI unit, to be occupied by or
3 reserved solely for households with incomes at initial occupancy no higher than 60 percent of
4 median income~~((, as defined in Section 23.84A.025, at the time of initial occupancy by the~~
5 ~~household)),~~ subject to ~~((the term of and commitment to affordability in))~~ requirements of
6 subsection ~~((23.75.085.C.2))~~ 23.75.085.D.

7 “~~((80 percent of MI))~~ 80% AMI unit” means a dwelling unit ~~((of affordable housing,))~~
8 other than a replacement unit or ~~((60 percent of MI))~~ 60% AMI unit, to be occupied by or
9 reserved solely for households with incomes at initial occupancy no higher than 80 percent of
10 median income~~((, as defined in Section 23.84A.025, at the time of initial occupancy by the~~
11 ~~household)),~~ subject to ~~((the term of and commitment to affordability in))~~ requirements of
12 subsection ~~((23.75.085.C.2))~~ 23.75.085.D.

13 Section 66. Section 23.75.085 of the Seattle Municipal Code, last amended by Ordinance
14 125603, is amended as follows:

15 **23.75.085 Residential floor area limits; affordable housing incentive ~~((program))~~**

16 A. Purpose. The provisions of this Section 23.75.085 are intended to implement an
17 affordable housing incentive ~~((program))~~ as authorized by RCW 36.70A.540.

18 B. Findings. Pursuant to the authority of RCW 36.70A.540, the City finds that:

19 1. The phased redevelopment of the properties in the MPC-YT zone addresses the
20 need for increased residential development to achieve local growth management and housing
21 policies; and

22 2. The terms of the affordable housing incentive ~~((program))~~ in this Section
23 23.75.085 ~~((take into account))~~ recognize that, ~~((federal funding is expected for housing that will~~

1 ~~replace existing public housing and that will serve households with incomes, at the time of initial~~
2 ~~occupancy by the household, at or below 30 percent of median income, but that))~~ for affordable
3 housing not receiving federal subsidies, the higher income levels specified ~~((in the definitions of~~
4 ~~“60 percent of MI unit” and “80 percent of MI unit” in this Chapter 23.75))~~ for 60% AMI units
5 and 80% AMI units, rather than the level stated for rental housing units in the definition of “low-
6 income households” in RCW 36.70A.540, are needed to address local housing market
7 conditions.

8 C. ~~((Residential floor area limits 1.))~~ The aggregate residential floor area limit for built
9 and permitted development on all lots within the MPC-YT zone is established in Table A for
10 23.75.085 and subject to the following conditions:

11 ~~((a.))~~ 1. The aggregate residential floor area limit is increased in stages, referred to
12 as “tiers,” when affordable housing is provided in accordance with the terms of this Section
13 23.75.085 in amounts sufficient to satisfy the conditions for the next tier according to Table A
14 for 23.75.085.

15 ~~((b.))~~ 2. The Tier 1 limit is the base, so no affordable housing needs to be
16 provided in order for aggregate residential floor area to reach the Tier 1 limit.

17 ~~((c.))~~ 3. If the total amount of constructed or permitted floor area reaches the
18 applicable tier limit, but affordable housing production conditions have not been satisfied, no
19 further building permits for residential floor area may be issued except for replacement units,
20 ~~((60 percent of MI))~~ 60% AMI units, or ~~((80 percent of MI))~~ 80% AMI units. In counting total
21 permitted residential floor area, projects with expired or cancelled permits shall not be included.

22 ~~((d.))~~ 4. After the maximum residential floor area allowed has been increased to
23 Tier 4, no Master Use Permit for a development including residential floor area shall be issued

1 unless the development application includes a number of ~~((80 percent of MI))~~ 80% AMI units
 2 equal to 4.5 percent of the total number of ~~((dwelling))~~ units in the application that are not either
 3 replacement units or ~~((60 percent of MI))~~ 60% AMI units.

4 **Table A for 23.75.085**

5 **Maximum floor area limits for residential uses**

6 **based on affordable housing production ¹**

	((Affordable)) <u>Cumulative affordable housing production</u> ((conditions for)) <u>in the Yesler Terrace redevelopment area</u> ((cumulative)) <u>required to increase maximum floor area limit to the next tier, consistent with subsection 23.75.085.F</u>	Maximum residential floor area allowed in the MPC-YT zone
Tier 1	<ul style="list-style-type: none"> • 187 replacement units 	1,400,000 square feet
(base)	<ul style="list-style-type: none"> • 80 60% ((of MI)) <u>AMI</u> units 	
	<ul style="list-style-type: none"> • A number of 80% ((of MI)) <u>AMI</u> units equal to 4.5 percent of ((all housing)) <u>total units</u> ((completed to date)) <u>, not including replacement units and 60% AMI units,</u> in the MPC-YT zone ((in accordance with 23.75.085.D, other than replacement units and 60% of MI units.)) 	
Tier 2	<ul style="list-style-type: none"> • 374 replacement units 	2,750,000 square feet
	<ul style="list-style-type: none"> • 160 60% ((of MI)) <u>AMI</u> units 	
	<ul style="list-style-type: none"> • A number of 80% ((of MI)) <u>AMI</u> units equal to 4.5 percent of ((all housing)) <u>total units</u> ((completed to date)) <u>, not including replacement units and 60% AMI units,</u> in the MPC-YT zone ((in accordance with 23.75.085.D, other than replacement units and 60% of MI units.)) 	
Tier 3	<ul style="list-style-type: none"> • 561 ((Replacement)) <u>replacement</u> units 	3,350,000 square feet
	<ul style="list-style-type: none"> • 290 60% ((of MI)) <u>AMI</u> units 	
	<ul style="list-style-type: none"> • A number of 80% ((of MI)) <u>AMI</u> units equal to 4.5 percent of ((all housing)) <u>total units</u> ((completed to date)) <u>, not including replacement units and 60% AMI units,</u> in the MPC-YT zone ((in accordance with 23.75.085.D)), other than replacement units and 60% of MI units.)) 	
Tier 4	Not applicable	3,950,000 square feet

Footnotes to Table A for 23.75.085

¹ Housing units existing as of January 1, 2012 ~~((does))~~ do not count toward the affordable housing production ~~((conditions))~~ requirements or the maximum residential floor area allowed.

1 ~~((2. In order to))~~ D. To count toward the conditions to a higher tier under Table A for
2 23.75.085, affordable housing shall be committed under recorded covenants or instruments,
3 acceptable to the Director of Housing, to satisfy the following requirements:

4 ~~((a.))~~ 1. Term. The affordable housing shall serve only income eligible households
5 for replacement units, ~~((60 percent of MI))~~ 60% AMI units, or ~~((80 percent of MI))~~ 80% AMI
6 units, as defined in Section 23.75.020, for a minimum of 50 years from the date when the
7 affordable housing becomes available for occupancy as determined by the Director of Housing.

8 ~~((b.))~~ 2. Affordability. Units must be committed to affordability as follows:

9 ~~((1))~~ a. Except as permitted in subsection ~~((23.75.085.C.2.b.5))~~
10 23.75.085.D.2.e, for replacement units, monthly rent, including basic utilities, shall be as allowed
11 under the 1937 U.S. Housing Act, as amended, and agreements between the Seattle Housing
12 Authority and the U.S. Department of Housing & Urban Development (HUD) and, for City-
13 funded replacement units, agreements between the Seattle Housing Authority and ~~((the))~~ The
14 City of Seattle. Rent may increase in proportion to household income for qualifying tenants
15 provided that rent shall not exceed 30 percent of 80 percent of median income. For purposes of
16 this Section 23.75.085, Yesler Terrace residents who are eligible to return pursuant to a
17 relocation plan adopted by the Seattle Housing Authority shall be deemed to have met initial
18 occupancy requirements.

19 ~~((2))~~ b. Except as permitted in subsection ~~((23.75.085.C.2.b.5))~~
20 23.75.085.D.2.e, for ~~((60 percent of MI))~~ 60% AMI units, monthly rent, including basic utilities,
21 shall not exceed 30 percent of 60 percent of median income.

1 ~~((3))~~ c. For ~~((80 percent of MI))~~ 80% AMI units that are rental housing,
2 monthly rent, including basic utilities, shall not exceed 30 percent of 80 percent of median
3 income.

4 ~~((4))~~ d. For ~~((80 percent of MI))~~ 80% AMI units that are offered for sale,
5 the initial sale price shall not exceed an amount determined by the Director of Housing to be
6 affordable to a household with an income, at the time of initial occupancy by the household, no
7 higher than 80 percent of median income. The unit shall be subject to recorded covenants or
8 instruments satisfactory to the Director of Housing providing for ~~((sales prices on any resales
9 consistent with affordability requirements on the same basis))~~ limits on sale and resale prices
10 according to Section 23.75.020 and this Section 23.75.085 for at least 50 years. The Director of
11 Housing is authorized to adopt~~((s))~~ by rule~~((s))~~ the method of determining affordability, including
12 estimated monthly housing costs and requirements relating to down payment amount and
13 homebuyer contributions.

14 ~~((5))~~ e. The Director of Housing is authorized to amend covenants to
15 adjust affordability and income limits up to a maximum of 30 percent of 80 percent of median
16 income if the Director of Housing determines that:

17 ~~((a))~~ 1) In the case of replacement units, a reduction in federal
18 operating subsidies has made such funding insufficient to maintain the replacement units for
19 households with incomes at or below 30 percent of median income;

20 ~~((b))~~ 2) In the case of ~~((60 percent of MI))~~ 60% AMI units, after
21 40 years from initial occupancy of a building, rent levels are insufficient to operate and maintain
22 the units or to meet any required debt coverage ratios as required by financing;

1 submitted, starting 14 days from the date of the Office of Housing’s notice that the report is
2 overdue. For ownership affordable housing, the applicant or third-party stewardship entity, as
3 applicable, must comply with reporting requirements of this subsection 23.75.085.D.5.

4 6. Compliance monitoring fees

5 a. Rental affordable housing. The owner of rental affordable housing shall
6 pay the Office of Housing an annual fee of \$190 per affordable housing unit for the purpose of
7 monitoring compliance according to this Section 23.75.085. The annual fee shall automatically
8 adjust annually on March 1, starting in 2024, by an amount in proportion to the increase, if any,
9 for January 1 through December 31 of the prior calendar year, in the Consumer Price Index, All
10 Urban Consumers, Seattle-Tacoma-Bellevue, WA, All Items (1982-1984=100), as determined by
11 the U.S. Department of Labor, Bureau of Labor Statistics, or successor index, unless the Director
12 of Housing determines that a lower fee covers the cost of monitoring compliance.

13 b. Ownership affordable housing. The owner of each ownership affordable
14 housing unit shall pay to the Office of Housing or third-party stewardship entity, as applicable,
15 an annual fee payable in 12 equal payments for the purpose of monitoring compliance with this
16 Section 23.75.085. The fee shall be established by the Director of Housing by rule.

17 ~~((3-))~~ E. No ((subsidies)) other restrictions for ((80 percent of MI)) 80% AMI units;
18 exceptions

19 ~~((a. The associated covenant required in order for an 80 percent of MI unit to~~
20 ~~count toward the conditions to a higher tier under Table A for 23.75.085 must include provisions~~
21 ~~prohibiting subsidies provided for or related to that unit. For purposes of this subsection~~
22 ~~23.75.085.C.3, "subsidies" includes federal loans or grants, City of Seattle housing loans or~~
23 ~~grants, developer contributions for affordable housing made in exchange for bonus floor area in a~~

1 ~~zone other than MPC YT, county housing funds, and State of Washington housing funds, except~~
2 ~~as provided in this subsection 23.75.085.C.3.~~

3 ~~b. Housing that is or upon completion would be subject to any restrictions~~
4 ~~on the income of occupants, rents, or sale prices, independent of requirements in this Section~~
5 ~~23.75.085 and Chapter 5.73, may not be counted as affordable housing under this Section~~
6 ~~23.75.085, except as provided in subsection 23.75.085.C.3.e.)~~ 1. Except as permitted in
7 subsection 23.75.085.E.2, 80% AMI units provided according to this Section 23.75.085 must be
8 different than restricted units provided for any other reason.

9 ~~((e.))~~ 2. For purposes of this subsection ((23.75.085.C.3)) 23.75.085.E, ((the
10 following do not constitute a subsidy, and any related conditions regarding incomes, rents, or
11 sale prices do not constitute restrictions)) 80% AMI units may be the same units as provided to
12 satisfy conditions of the following subsidies:

13 ~~((1))~~ a. ((Any benefit to the developer of discounted)) Discounted land
14 sales prices;

15 ~~((2))~~ b. ((Use of)) Washington State Housing Finance Commission bonds
16 and 4-percent low-income housing tax credits; and

17 ~~((3))~~ c. ((The qualification for and use of property)) The first 12 years of
18 a property tax ((exemptions)) exemption pursuant to Chapter 5.73.

19 ~~((D.))~~ F. Production((-))

20 1. A ((unit of affordable housing that satisfies the conditions of subsection
21 23.75.085.C)) replacement unit, 60% AMI unit, or 80% AMI unit shall ~~((be counted))~~ count for

22 purposes of Table A for 23.75.085 when the affordable housing is subject to recorded covenants

23 or instruments that conform to this Section 23.75.085 and are satisfactory to the Director of

1 Housing in form, content, and priority. Any unit or units of housing provided as a condition to
2 bonus floor area pursuant to any Land Use Code section other than 23.75.085 shall not ~~((be~~
3 ~~counted))~~ count for purposes of Table A for 23.75.085.

4 2. ~~((All dwelling units))~~ Units other than replacement units, ~~((60 percent of MI))~~
5 60% AMI units, and ~~((80 percent of MI))~~ 80% AMI units shall ~~((be counted as completed))~~
6 count for purposes of Table A for 23.75.085 when a Master Use Permit for construction of those
7 units has been issued, unless and until either :

8 a. ~~((the))~~ The Master Use Permit decision is cancelled before the Master
9 Use Permit is issued, or the Master Use Permit issued pursuant to such decision expires or is
10 cancelled, without the highrise structure having been constructed; or

11 b. ~~((a))~~ A ruling by a hearing examiner or court of competent jurisdiction
12 reversing or vacating such decision, or determining such decision or the Master Use Permit
13 issued thereunder to be invalid, becomes final and no longer subject to judicial review.

14 E. Tier determination. Upon application by any owner within the MPC-YT zone, the
15 Director may make a Type I decision as to the residential floor area tier in effect.

16 F. Rules. The Director and the Director of Housing are authorized jointly to adopt rules to
17 interpret and implement the provisions of this Section 23.75.085, in addition to rules that may be
18 adopted by the Director of Housing independently as authorized in this Section 23.75.085.

19 G. Distribution of residential floor area limits by sector. Table B for 23.75.085
20 establishes residential maximum floor area limits by sector. The sum of the sector allocations
21 exceeds the maximum established for the entire zone, but this subsection ~~23.75.085.G~~ does not
22 allow the total amount of residential floor area in all sectors combined to exceed the limit in
23 effect under Table A for 23.75.085.

* * *

H. Floor area subject to the limits in this Section 23.75.085 is all residential gross floor area except for accessory parking and floor area in residential structures existing as of January 1, 2012.

I. Fees. ~~((For developments that include 80 percent of MI units provided to meet affordable housing production conditions in))~~ The applicant for a project that includes 80% AMI units according to this Section 23.75.085~~((, the applicant and owner shall pay fees to the Office of Housing as specified under))~~ shall pay housing review fees according to Section 22.900G.015.

Section 67. Section 23.76.032 of the Seattle Municipal Code, last amended by Ordinance 126685, is amended as follows:

~~((23.76.032 Expiration and renewal of Type I and II Master Use Permits~~

~~A. Type I and II Master Use Permit expiration))~~

23.76.029 Type I and II Master Use Permit duration and expiration date

~~((4-))~~ An issued Type I or II Master Use Permit expires three years from the date a permit is approved for issuance as described in Section 23.76.028, except as follows:

~~((a-))~~ A. A Master Use Permit with a shoreline component expires pursuant to WAC 173-27-090.

~~((b-))~~ B. A variance component of a Master Use Permit expires as follows:

~~((1-))~~ 1. Variances for access, yards, setback, open space, or lot area minimums granted as part of a short plat or lot boundary adjustment run with the land in perpetuity as recorded with the King County Recorder.

~~((2-))~~ 2. Variances granted as separate Master Use Permits pursuant to subsection 23.76.004.G expire three years from the date the permit is approved for issuance as described in

1 Section 23.76.028 or on the effective date of any text amendment making more stringent the
2 development standard from which the variance was granted, whichever is sooner. If a Master
3 Use Permit to establish the use is issued prior to the earlier of the dates specified in the preceding
4 sentence, the variance expires on the expiration date of the Master Use Permit.

5 ~~((e-))~~ C. The time during which pending litigation related to the Master Use Permit or the
6 property subject to the permit made it reasonable not to submit an application for a building
7 permit, or to establish a use if a building permit is not required, is not included in determining the
8 expiration date of the Master Use Permit.

9 ~~((e-))~~ D. Master Use Permits with a Major Phased Development or Planned Community
10 Development component under Sections 23.47A.007, 23.49.036, or 23.50.015 expire as follows:

11 ~~((4))~~ 1. For the first phase, the expiration date shall be three years from the date
12 the permit is approved for issuance;

13 ~~((2))~~ 2. For subsequent phases, the expiration date shall be determined at the
14 time of permit issuance for each phase, and the date shall be stated in the permit.

15 ~~((e-))~~ E. Permits for uses allowed under Section 23.42.038, temporary or intermittent use
16 permits issued pursuant to Section 23.42.040, and transitional encampment interim use permits
17 issued under Section 23.42.056 expire on the date stated in the permit.

18 ~~((f-))~~ F. Except as otherwise provided in this subsection ~~((23.76.032.A.1.f))~~ 23.76.029.F,
19 Master Use Permits for development pursuant to ~~((Sections))~~ Section 23.49.180 ~~((and~~
20 23.49.181)) expire on the date set by the Director in the Master Use Permit decision, which date
21 may be a maximum of 15 years from the date the Master Use Permit is approved for issuance.
22 The Director shall consider the complexity of the project, economic conditions of the area in
23 which the project is located, and the construction schedule proposed by the applicant in setting

1 the expiration date. If no expiration date is set in the Master Use Permit decision, the expiration
2 date is three years from the date a permit is approved for issuance.

3 ~~((1))~~ 1. In order for the Director to set the Master Use Permit expiration date, the
4 applicant shall:

5 ~~((a))~~ a. Submit with the application a site plan showing a level of detail
6 sufficient to assess anticipated impacts of the completed project; and

7 ~~((b))~~ b. Submit a proposed schedule for complying with the conditions
8 necessary to gain the amount of extra floor area and the extra height sought for the project.

9 ~~((2))~~ 2. The expiration date of the Master Use Permit may be extended past the
10 expiration date set in the Master Use Permit decision or the date established in this subsection
11 ~~((23.76.032.A.1.f))~~ 23.76.029.F if:

12 ~~((a))~~ a. On the expiration date stated in the Master Use Permit decision, a
13 building permit for the entire development has been issued, in which case the Master Use Permit
14 is extended for the life of the building permit if the Master Use Permit would otherwise expire
15 earlier, or

16 ~~((b))~~ b. A complete application for a building permit that either is for the
17 entire development proposed pursuant to Section 23.49.180, or is for construction to complete
18 the entire development proposed pursuant to Section 23.49.180, is:

19 ~~((i))~~ 1) Submitted before the expiration date of the Master Use
20 Permit; and

21 ~~((ii))~~ 2) Made sufficiently complete to constitute a fully complete
22 building permit application as defined in the Seattle Building Code, or for a highrise structure
23 regulated under Section 403 of the Seattle Building Code, made to include the complete

1 structural frame of the building and schematic plans for the exterior shell of the building, in
2 either case before the expiration date of the Master Use Permit, in which case the Master Use
3 Permit is extended for the life of the building permit issued pursuant to the application if the
4 Master Use Permit would otherwise expire earlier.

5 ~~((g.))~~ G. The permit expires earlier pursuant to Section 22.800.100.

6 ~~((h.))~~ H. The time during which the property subject to the Master Use Permit is used for
7 a transitional encampment interim use is not included in determining the expiration date of the
8 Master Use Permit.

9 **23.76.030 Type I and II Master Use Permit expiration and exceptions to expiration**

10 ~~((2.))~~ On the expiration date determined as provided in ~~((subsection 23.76.032.A.1))~~ Section
11 23.76.029, a Master Use Permit expires unless one of the conditions in this ~~((subsection~~
12 ~~23.76.032.A.2))~~ Section 23.76.030 exists:

13 ~~((a.))~~ A. A building permit is issued before the expiration date, in which case the Master
14 Use Permit shall be extended for the life of the building permit.

15 ~~((b.))~~ B. A valid and fully complete application for a building permit is submitted prior to
16 the Master Use Permit expiration date and a building permit is subsequently issued. In such
17 cases, the Master Use Permit shall be extended for the life of the building permit.

18 ~~((c.))~~ C. For projects that do not require a building permit, the use has been established
19 prior to the expiration date and is not terminated prior to that date by abandonment, change of
20 use, or otherwise. In such cases the Master Use Permit expires when the use permitted by the
21 Master Use Permit is terminated by abandonment, change of use, or otherwise.

22 ~~((d.))~~ D. The Master Use Permit is renewed pursuant to ~~((subsection 23.76.032.C))~~
23 Section 23.76.032.

1 ~~((e-))~~ E. A Major Phased Development or Planned Community Development component
2 is part of the Master Use Permit, in which case subsection ~~((23.76.032.A.1.d))~~ subsection
3 23.76.029.D applies.

4 ~~((f-))~~ F. The Master Use Permit is for development subject to Section 23.49.180, in which
5 case the provisions in subsection ~~((23.76.032.A.1.f))~~ 23.76.029.F apply.

6 **23.76.031 Type I and Type II Master Use Permits’ relationship to building permits**

7 ~~((B-))~~ If a Master Use Permit is issued for a project, a building permit is issued for the project,
8 and the project is constructed pursuant to the building permit:

9 ~~((1-))~~ A. Conditions of or incorporated in the Master Use Permit shall remain in effect,
10 notwithstanding expiration of the Master Use Permit pursuant to ~~((subsection 23.76.032.A))~~
11 Sections 23.76.029 and 23.76.030, until the project is demolished or until an earlier date on
12 which:

13 ~~((a-))~~ 1. The condition by its terms expires or is fully satisfied;

14 ~~((b-))~~ 2. The condition is removed through a permitting decision; or

15 ~~((c-))~~ 3. If the condition was imposed as to a specific use within the project, that
16 use is terminated; and

17 ~~((2-))~~ B. Terms of a building permit relating to requirements ~~((according to))~~ of Section
18 23.58C.050 shall remain in effect for the time period specified according to subsection
19 23.58C.050.B, notwithstanding:

20 ~~((a-))~~ 1. Expiration of the Master Use Permit according to ~~((subsection~~
21 23.76.032.A,)) Sections 23.76.029 and 23.76.030; or

22 ~~((b-))~~ 2. Any contrary provision of Title 22.

23 ~~((C. Master Use Permit renewal))~~

1 1. Approvals of Council conditional uses and public projects expire three years
2 from the effective date of approval unless:

3 a. Within the three year period, an application is filed for a Master Use
4 Permit, that is subsequently issued; or

5 b. Another time for expiration is specified in the Council's decision.

6 2. If a Master Use Permit is issued for a project permitted by Council approval of
7 a Council conditional use or a public project, the Council's approval of the Council conditional
8 use or public project remains in effect until the date that the Master Use Permit expires pursuant
9 to the provisions of (~~Section 23.76.032~~) Sections 23.76.029, 23.76.030, and 23.76.031, or until
10 the date specified by the Council, whichever is later. If a Master Use Permit is issued for a
11 project permitted by Council approval of a Council conditional use or Council approval of a
12 public project, a building permit is issued for the project, and the project is constructed pursuant
13 to the building permit, conditions required by the Council's approval of the Council conditional
14 use or the Council's approval of the public project shall remain in effect, notwithstanding
15 expiration of the Council's approval of the Council conditional use or the Council's approval of
16 the public project, until the project is demolished or until an earlier date on which:

17 a. (~~the~~) The condition by its terms expires;

18 b. (~~the~~) The condition is removed through a permitting decision; or

19 c. (~~if~~) If the condition was imposed as to a specific use within the
20 project, that use is terminated.

21 Section 69. Section 23.84A.002 of the Seattle Municipal Code, last amended by
22 Ordinance 125854, is amended as follows:

23 **23.84A.002 “A”**

1 * * *

2 (~~"Affordable housing." See "Housing, affordable."~~)

3 * * *

4 Section 70. Section 23.84A.016 of the Seattle Municipal Code, last amended by
5 Ordinance 126685, is amended as follows:

6 **23.84A.016 "H"**

7 * * *

8 "Household" means a housekeeping unit consisting of any number of non-transient
9 persons composing a single living arrangement within a dwelling unit as provided in Section
10 23.42.048, not otherwise subject to occupant limits in group living arrangements regulated under
11 state law, or on short-term rentals as provided in Section 23.42.060.

12 (~~"Household, low income" means a household whose income does not exceed eighty~~
13 ~~(80) percent of median income.~~

14 ~~"Household, moderate income" means a household whose income does not exceed~~
15 ~~median income.~~

16 ~~"Household, very low income" means a household whose income does not exceed fifty~~
17 ~~(50) percent of median income.~~

18 ~~"Housing, affordable" means a housing unit for which the occupant is paying no more~~
19 ~~than thirty (30) percent of household income for gross housing costs, including an allowance for~~
20 ~~utility costs paid by the occupant.)~~

21 "Housing, low-income" means ~~((housing affordable to, and occupied by, low income~~
22 ~~households)) a structure or structures for which:~~

1 1. An application for public funding for the capital costs of development or
2 rehabilitation of the structure(s) has been or will be submitted; and

3 2. Public funding is awarded prior to issuance of the first building permit that
4 includes the structural frame for each structure and is conditioned on one or more regulatory
5 agreements, covenants, or other legal instruments, enforceable by The City of Seattle, King
6 County, State of Washington, Washington State Housing Finance Commission, or other public
7 agency if approved by the Director of Housing, being executed and recorded on the title of the
8 property that includes the low-income housing and such legal instruments either:

9 a. For a minimum period of 40 years, require rental of at least 40 percent
10 of the dwelling units, small efficiency dwelling units, or congregate residence sleeping rooms as
11 restricted units with rent and income limits no higher than 60 percent of median income; or

12 b. For a minimum period of 50 years, require at least 40 percent of the dwelling
13 units as restricted units sold to buyers with incomes no higher than 80 percent of median income
14 at prices (initial sale and resale) to allow modest growth in homeowner equity while maintaining
15 long-term affordability for income-eligible buyers, all as determined by the Director of Housing.

16 (~~"Housing, moderate income" means housing affordable to, and occupied by, moderate-~~
17 ~~income households.~~

18 ~~"Housing, very low income" means housing affordable to, and occupied by, very low-~~
19 ~~income households)).~~

20 * * *

21 Section 71. Section 23.84A.024 of the Seattle Municipal Code, last amended by
22 Ordinance 126682, is amended as follows:

23 **23.84A.024 "L"**

1 * * *

2 ~~((“Low-income disabled multifamily structure.” See “Multifamily structure, low-income~~
3 ~~disabled.”~~

4 ~~“Low-income elderly/low-income disabled multifamily structure.” See “Multifamily~~
5 ~~structure, low-income elderly/low-income disabled.”~~

6 ~~“Low-income household.” See “Household, low-income.”)~~

7 “Low-income housing.” See “Housing, low-income.”

8 “Low-income unit.” See “Unit, low-income.”

9 Section 72. Section 23.84A.025 of the Seattle Municipal Code, last amended by
10 Ordinance 126684, is amended as follows:

11 **23.84A.025 “M”**

12 * * *

13 “Median income” means the annual median family income imputed for the Seattle area(
14 as)) based on income limits published from time to time by the U.S. Department of Housing and
15 Urban Development (HUD), with adjustments according to household size (~~(in a manner~~
16 ~~determined by the Director, which adjustments shall be))~~ based upon a method used by (~~(the~~
17 ~~United States Department of Housing and Urban Development))~~ HUD to adjust income limits
18 for subsidized housing, and which adjustments for purposes of (~~(determining affordability of~~
19 ~~rents or sale prices))~~ calculating rent and sales price limits shall be based on (~~(the))~~ an average
20 size of household (~~(considered to correspond to the size of the housing unit (one (1))~~ of one
21 ~~person for ((studio))~~ zero-bedroom units and (~~(one and a half (1.5))~~) 1.5 persons per bedroom for
22 other units(~~(s))~~), all as determined by the Director of Housing.

23 * * *

1 ~~((“Moderate income household.” See “Household, moderate income.”~~

2 ~~“Moderate income housing.” See “Housing, moderate income.”))~~

3 ~~“Moderate-income unit.” See “Unit, moderate-income.”~~

4 * * *

5 ~~((“Multifamily structure, low income disabled.” See “Multifamily residential use, low-~~
6 ~~income disabled”.~~

7 ~~“Multifamily structure, low income elderly.” See “Multifamily residential use, low-~~
8 ~~income elderly”.~~

9 ~~“Multifamily structure, low income elderly/low income disabled.” See “Multifamily~~
10 ~~residential use, low income elderly/low income disabled”.~~

11 ~~“Multifamily structure, very low income disabled.” See “Multifamily residential use, very~~
12 ~~low income disabled”.~~

13 ~~“Multifamily structure, very low income elderly.” See “Multifamily residential use, very~~
14 ~~low income elderly”.~~

15 ~~“Multifamily structure, very low income elderly/very low income disabled.” See~~
16 ~~“Multifamily residential use, very low income elderly/very low income disabled”.)~~

17 * * *

18 Section 73. Section 23.84A.030 of the Seattle Municipal Code, last amended by
19 Ordinance 125681, is amended as follows:

20 **23.84A.030 “P”**

21 * * *

22 “Permanent supportive housing” means low-income housing that is paired with on or off-
23 site voluntary human services to support people living with complex and disabling behavioral

1 health or physical health conditions and experiencing homelessness or at imminent risk of
2 homelessness prior to moving into such housing.

3 "Person" means any individual, partnership, corporation, association, or public or private
4 organization of any character.

5 * * *

6 Section 74. Section 23.84A.032 of the Seattle Municipal Code, last amended by
7 Ordinance 126685, is amended as follows:

8 **23.84A.032 "R"**

9 * * *

10 "Residential use" means any one or more of the following:

11 1. "Accessory dwelling unit" means one or more rooms that:

12 a. Are located within a principal dwelling unit or within an accessory
13 structure on the same lot as a principal dwelling unit;

14 b. Meet the standards of Section 23.44.041, Section 23.45.545, or Chapter
15 23.47A, as applicable;

16 c. Are designed, arranged, and intended to be occupied by not more than
17 one household as living accommodations independent from any other household; and

18 d. Are so occupied or vacant.

19 2. "Attached accessory dwelling unit" means an accessory dwelling unit that is
20 within a principal dwelling unit.

21 3. "Adult family home" means an adult family home defined and licensed as such
22 by the State of Washington in a dwelling unit.

1 4. "Apartment" means a multifamily residential use that is not a cottage housing
2 development, rowhouse development, or townhouse development.

3 5. "Artist's studio/dwelling" means a combination working studio and dwelling
4 unit for artists, consisting of a room or suite of rooms occupied by not more than one household.

5 6. "Assisted living facility" means a use licensed by the State of Washington as a
6 boarding home pursuant to chapter 18.20 RCW (~~Chapter 18.20~~) that contains at least two
7 assisted living units for people who have either a need for assistance with activities of daily
8 living (which are defined as eating, toileting, ambulation, transfer (e.g., moving from bed to chair
9 or chair to bath), and bathing) or some form of cognitive impairment but who do not need the
10 skilled critical care provided by nursing homes. See "Assisted living unit."

11 7. "Carriage house" means a dwelling unit in a carriage house structure.

12 8. "Carriage house structure" means a structure within a cottage housing
13 development, in which one or more dwelling units are located on the story above an enclosed
14 parking garage at ground level that either abuts an alley and has vehicle access from that alley, or
15 is located on a corner lot and has access to the parking in the structure from a driveway that abuts
16 and runs parallel to the rear lot line of the lot. See also "Carriage house."

17 9. "Caretaker's quarters" means a use accessory to a non-residential use consisting
18 of a dwelling unit not exceeding 800 square feet of living area and occupied by a caretaker or
19 watchperson.

20 10. "Congregate residence" means a use in which rooms or lodging, with or
21 without meals, are provided for any number of non-transient persons not constituting a single
22 household.

1 11. "Cottage housing development" means a use consisting of cottages arranged
2 on at least two sides of a common open space or a common amenity area. A cottage housing
3 development may include a carriage house structure. See "Cottage," "Carriage house," and
4 "Carriage house structure."

5 12. "Detached accessory dwelling unit" means an accessory dwelling unit in an
6 accessory structure.

7 13. "Domestic violence shelter" means a ~~((dwelling unit))~~ structure or portion of a
8 structure managed by a nonprofit organization, which unit provides housing at a confidential
9 location and support services for victims of domestic violence.

10 14. "Floating home" means a dwelling unit constructed on a float that is moored,
11 anchored, or otherwise secured in the water.

12 15. "Low-income housing."

13 ~~((15))~~16. "Mobile home" means a structure that is designed and constructed to be
14 transportable in one or more sections and built on a permanent chassis, designed to be used as a
15 dwelling unit without a permanent foundation, and connected to utilities that include plumbing,
16 heating, and electrical systems. A structure that was transportable at the time of manufacture is
17 still considered to meet this definition notwithstanding that it is no longer transportable.

18 ~~((16))~~17. "Mobile home park" means a tract of land that is rented for the use of
19 more than one mobile home occupied as a dwelling unit.

20 ~~((17))~~18. "Multifamily residential use" means a use consisting of two or more
21 dwelling units in a structure or portion of a structure, excluding accessory dwelling units.

22 ~~((18. "Multifamily residential use, low-income disabled" means a multifamily~~
23 ~~residential use in which at least 90 percent of the dwelling units are occupied by one or more~~

1 ~~persons who have a handicap as defined in the Federal Fair Housing Amendments Act and who~~
2 ~~constitute a low income household.~~

3 19. ~~"Multifamily residential use, low income elderly" means a residential use in~~
4 ~~which at least 90 percent of the dwelling units are occupied by one or more persons 62 or more~~
5 ~~years of age who constitute a low income household.~~

6 20. ~~"Multifamily residential use, low income elderly/low income disabled" means~~
7 ~~a multifamily residential use in which at least 90 percent of the dwelling units (not including~~
8 ~~vacant units) are occupied by a low income household that includes a person who has a handicap~~
9 ~~as defined in the Federal Fair Housing Amendment Act or a person 62 years of age or older, as~~
10 ~~long as the housing qualifies for exemptions from prohibitions against discrimination against~~
11 ~~families with children and against age discrimination under all applicable fair housing laws and~~
12 ~~ordinances.~~

13 21. ~~"Permanent supportive housing" means a multifamily residential use, which is~~
14 ~~paired with on or off site voluntary human services to support a person living with a complex~~
15 ~~and disabling behavioral health or physical health condition who was experiencing homelessness~~
16 ~~or was at imminent risk of homelessness prior to moving into housing:~~

17 a. ~~In which at least 50 percent of the dwelling units are occupied by~~
18 ~~households whose income at original occupancy does not exceed 30 percent of median income~~
19 ~~and the remaining dwelling units are occupied by very low income households at original~~
20 ~~occupancy;~~

21 b. ~~That receives public funding or an allocation of federal low income~~
22 ~~housing tax credits; and~~

1 e. ~~That is subject to a regulatory agreement, covenant, or other legal~~
2 ~~instrument, the duration of which is at least 40 years, recorded on the property title and~~
3 ~~enforceable by The City of Seattle, Washington State Housing Finance Commission, State of~~
4 ~~Washington, King County, U.S. Department of Housing and Urban Development, or other~~
5 ~~similar entity as approved by the Director of Housing)).~~

6 ((22))19. "Nursing home" means a use licensed by the State of Washington as a
7 nursing home, which provides full-time convalescent and/or chronic care for individuals who, by
8 reason of chronic illness or infirmity, are unable to care for themselves, but that does not provide
9 care for the acutely ill or surgical or obstetrical services. This definition excludes hospitals or
10 sanitariums.

11 20. "Permanent supportive housing."

12 ((23))21. "Rowhouse development" means a multifamily residential use in which
13 all principal dwelling units on the lot meet the following conditions:

14 a. Each dwelling unit occupies the space from the ground to the roof of the
15 structure in which it is located;

16 b. No portion of a dwelling unit, except for an accessory dwelling unit or
17 shared parking garage, occupies space above or below another dwelling unit;

18 c. Each dwelling unit is attached along at least one common wall to at
19 least one other dwelling unit, with habitable interior space on both sides of the common wall, or
20 abuts another dwelling unit on a common lot line;

21 d. The front of each dwelling unit faces a street lot line;

22 e. Each dwelling unit provides pedestrian access directly to the street that
23 it faces; and

1 f. No portion of any other dwelling unit, except for an attached accessory
2 dwelling unit, is located between any dwelling unit and the street faced by the front of that unit.

3 ((24))22. "Single-family dwelling unit" means a detached principal structure
4 having a permanent foundation, containing one dwelling unit, except that the structure may also
5 contain one or two attached accessory dwelling units where expressly authorized pursuant to this
6 Title 23. A detached accessory dwelling unit is not considered a single-family dwelling unit for
7 purposes of this Chapter 23.84A.

8 ((25))23. "Townhouse development" means a multifamily residential use that is
9 not a rowhouse development, and in which:

10 a. Each dwelling unit occupies space from the ground to the roof of the
11 structure in which it is located;

12 b. No portion of a dwelling unit occupies space above or below another
13 dwelling unit, except for an attached accessory dwelling unit and except for dwelling units
14 constructed over a shared parking garage, including shared parking garages that project up to 4
15 feet above grade; and

16 c. Each dwelling unit is attached along at least one common wall to at
17 least one other dwelling unit, with habitable interior space on both sides of the common wall, or
18 abuts another dwelling unit on a common lot line.

19 * * *

20 "Restricted unit." See "Unit, restricted."

21 * * *

22 Section 75. Section 23.84A.038 of the Seattle Municipal Code, last amended by
23 Ordinance 126042, is amended as follows:

1 **23.84A.038 “T”**

2 * * *

3 "TDR site, DMC housing" means a lot meeting the following requirements:

- 4 1. The lot is located in a Downtown Mixed Commercial (DMC) zone;
- 5 2. Each structure to be developed on the lot has or will have a minimum of 50
6 percent of total gross above-grade floor area as dwelling units or congregate residence sleeping
7 rooms committed (~~((to low-income housing))~~) as restricted units affordable to and occupied by
8 households with annual incomes no higher than 80 percent of median income for a minimum of
9 50 years, unless such requirement is waived or modified by the Director of (~~(the Office of)~~)
10 Housing for good cause;
- 11 3. The lot will have above-grade gross floor area equivalent to at least 1 FAR as
12 dwelling units or congregate residence sleeping rooms committed (~~((to very low-income housing~~
13 ~~use))~~) as restricted units affordable to and occupied by households with annual incomes no higher
14 than 50 percent of median income for a minimum of 50 years; and
- 15 4. The (~~(low-income housing and very low-income housing commitments on the~~
16 ~~lot comply with the standards in subsection 23.49.012.B.1.b and))~~ DMC housing TDR site
17 requirements are memorialized in a recorded agreement between the owner of (~~(such low-income~~
18 ~~and very low-income))~~ the housing and the Director of (~~(the Office of)~~) Housing.

19 "TDR site, housing" means a lot meeting the following requirements:

- 20 1. The lot is located in any Downtown zone except PMM, DH-1, and DH-2 zones,
21 or is located in the South Lake Union Urban Center in any SM zone with a height limit of 85 feet
22 or higher;

1 2. Each structure on the lot has a minimum of 50 percent of total gross above-
2 grade floor area as dwelling units or congregate residence sleeping rooms committed (~~((to low-~~
3 ~~income housing))~~) as restricted units affordable to and occupied by households with annual
4 incomes no higher than 80 percent of median income for a minimum of 50 years;

5 3. The lot has above-grade gross floor area equivalent to at least 1 FAR as
6 dwelling units or congregate residence sleeping rooms committed (~~((to very low income housing~~
7 ~~use))~~) as restricted units affordable to and occupied by households with annual incomes no higher
8 than 50 percent of median income for a minimum of 50 years;

9 4. The (~~(above grade gross floor area on the lot committed to satisfy the~~
10 ~~conditions in))~~ dwelling units or congregate residence sleeping rooms according to subsections 2
11 and 3 of this definition is (~~(contained))~~) in one or more structures existing as of July 27, 2001, and
12 the floor area was in residential use as of that date; and

13 5. The (~~(low income housing and very low income housing commitments on the~~
14 ~~lot comply with the standards in subsection 23.49.012.B.1.b and))~~) housing TDR site
15 requirements are memorialized in a recorded agreement between the owner of the (~~(low income~~
16 ~~and very low income))~~) housing and the Director of Housing.

17 "TDR site, Landmark housing" means a lot meeting the following requirements:

18 1. The lot is located in any Downtown zone except IDM, IDR, PSM, PMM, DH-
19 1, and DH-2 zones;

20 2. (~~(The lot contains))~~) A structure on the lot is a designated Landmark under
21 Chapter 25.12 and such structure will be renovated to include a minimum of 50 percent of total
22 gross above-grade floor area dwelling units or congregate residence sleeping rooms committed

1 ~~((to low income housing))~~ as restricted units affordable to and occupied by households with
2 annual incomes no higher than 80 percent of median income for a minimum of 50 years;

3 3. The ~~((lot))~~ structure according to subsection 2 of this definition has or will have
4 above-grade gross floor area equivalent to at least 1 FAR of dwelling units or congregate
5 residence sleeping rooms committed ~~((to very low income housing use))~~ as restricted units
6 affordable to and occupied by households with annual incomes no higher than 50 percent of
7 median income for a minimum of 50 years; and

8 4. The ~~((low income housing and very low income housing commitments on the~~
9 ~~lot comply with the standards in subsection 23.49.012.B.1.b and))~~ landmark housing TDR site
10 requirements are memorialized in a recorded agreement between the owner of ~~((such low income~~
11 ~~and very low income))~~ the housing and the Director of ~~((the Office of))~~ Housing.

12 * * *

13 Section 76. Section 23.84A.040 of the Seattle Municipal Code, last amended by
14 Ordinance 125173, is amended as follows:

15 **23.84A.040 “U”**

16 "Underground" means entirely below the surface of the earth, measured from existing or
17 finished grade, whichever is lower, excluding access.

18 “Unit, low-income” means a dwelling unit that, for a minimum period of at least 50
19 years, is a restricted unit affordable to and reserved solely for families with annual incomes not
20 to exceed 60 percent of median income for rental units or 80 percent of median income for
21 ownership units according to one or more regulatory agreements, covenants, or other legal
22 instruments that, as a condition to issuance of the first building permit that includes the structural
23 frame for the structure that includes the low-income unit, shall be executed and recorded on the

1 title of the property and are enforceable by The City of Seattle, King County, State of
2 Washington, Washington State Housing Finance Commission, or other public agency if
3 approved by the Director of Housing.

4 “Unit, moderate-income” means a dwelling unit that, for a minimum period of at least 50
5 years, is a restricted unit affordable to and reserved solely for families with annual incomes not
6 to exceed 80 percent of median income for rental units or 100 percent of median income for
7 ownership units according to one or more regulatory agreements, covenants, or other legal
8 instruments that, as a condition to issuance of the first building permit that includes the structural
9 frame for the structure that includes the moderate-income unit, shall be executed and recorded on
10 the title of the property and are enforceable by The City of Seattle, King County, State of
11 Washington, Washington State Housing Finance Commission, or other public agency if
12 approved by the Director of Housing.

13 “Unit, restricted” means a unit on a property subject to a recorded agreement with the
14 City of Seattle that limits both the unit’s rent or sale price, as applicable, and eligible residents’
15 annual income at a specified percentage of median income. For purposes of each restricted unit,
16 eligible residents shall be a “family” according to 24 CFR Section 5.403 or successor provision,
17 and the family’s “annual income” shall be determined according to 24 CFR Section 5.609 or
18 successor provision, unless otherwise approved in writing by the Director of Housing.

19 * * *

20 Section 77. Section 23.86.007 of the Seattle Municipal Code, last amended by Ordinance
21 126682, is amended as follows:

22 **23.86.007 Floor area and floor area ratio (FAR) measurement**

23 * * *

1 B. Net unit area. Where development standards refer to net unit area, net unit area shall
2 ~~((include all))~~ be square feet of total floor area bounded by the inside surface of the perimeter
3 walls of the unit, as measured at the floor line. Net unit area excludes spaces shared by multiple
4 units and accessible to all building occupants such as common hallways or lobbies. Net unit area
5 includes any walls internal to the unit.

6 * * *

1 Section 78. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2023,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2023.

7 _____
8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this ____ day of _____, 2023.

10 _____
11 Bruce A. Harrell, Mayor

12 Filed by me this _____ day of _____, 2023.

13 _____
14 _____, City Clerk

15 (Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Office of Housing	Laura Hewitt Walker	Nick Tucker (for OH) Christie Parker (for SDCI)

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to land use and zoning; correcting typographical and other technical errors, correcting section references, and clarifying regulations in sections that relate or may apply to low-income housing and other developments with units subject to affordability restrictions; amending, adopting new, and repealing obsolete defined terms relating to affordability of and eligibility to reside in certain housing; increase consistency and clarity of provisions that relate to low-income housing and restricted units; amending a limited number of provisions, including applicability of design review and authorization to request waiver or modification of certain development standards, to facilitate development of low-income housing; amending the title of Sections 23.44.019, 23.45.550, 23.47A.040, 23.48.100, and 23.49.007, amending Sections 22.900G.015, 23.34.012, 23.34.020, 23.41.004, 23.42.055, 23.42.057, 23.42.070, 23.44.024, 23.44.034, 23.44.041, 23.45.510, 23.45.512, 23.45.516, 23.47A.004, 23.47A.005, 23.47A.013, 23.48.005, 23.48.020, 23.48.232, 23.48.605, 23.48.920, 23.49.008, 23.49.010, 23.49.012, 23.49.014, 23.49.023, 23.49.037, 23.49.041, 23.49.058, 23.49.164, 23.49.180, 23.54.015, 23.58A.002, 23.58A.003, 23.58A.004, 23.58A.014, 23.58A.024, 23.58A.042, 23.58B.010, 23.58B.020, 23.58B.025, 23.58B.040, 23.58B.050, 23.58B.060, 23.58C.020, 23.58C.025, 23.58C.030, 23.58C.040, 23.58C.050, 23.66.100, 23.66.310, 23.70.008, 23.70.010, 23.72.002, 23.72.010, 23.73.010, 23.73.016, 23.75.020, 23.75.085, 23.76.032, 23.76.060, 23.84A.002, 23.84A.016, 23.84A.024, 23.84A.025, 23.84A.030, 23.84A.032, 23.84A.038, 23.84A.040, and 23.86.007, and repealing Sections 23.49.015 and 23.49.181 of the Seattle Municipal Code.

Summary and Background of the Legislation:

The land use code (LUC) revisions included in this legislation simplify, clarify, and improve readability of complex, unclear, or obsolete provisions specific to affordable housing. The legislation also increases consistency and succinctness of routine provisions related to low-income housing or restricted units in otherwise market-rate buildings (annual reporting requirements or calculation of maximum sales prices, for example). These changes could reduce permit review timelines for low-income housing and other residential development that includes units subject to affordability restrictions.

The legislation repeals more than a dozen obsolete and redundant LUC definitions related to affordable housing and eligible residents. It updates the project specific definition of “low-income housing” and adds new unit-specific definitions for “low-income unit,” “moderate-income unit,” and “restricted unit.” Those definitional updates and streamlining makes it

possible to replace a lot of inconsistent and lengthy verbiage about what constitutes low-income housing or an affordable unit throughout the land use code.

Other changes could potentially reduce the cost of developing low-income housing, by eliminating extended timelines for and unexpected costs of design review. Amendments to provisions exempting low-income housing from design review and allowing applicants to request modifications and waivers for certain development standards, none of which can increase the size of the building envelope, are intended to facilitate the development of low-income housing. These provisions currently apply to a particular type of low-income housing (i.e. permanent supportive housing). They also apply on a temporary basis to low-income housing with a certain share of units with affordability restrictions no higher than 60% area median income (AMI). The proposed changes would mean developments where homes are sold to buyer households with incomes no higher than 80% AMI (ones developed by Habitat for Humanity or Homestead Community Land Trust, for example) could be eligible for an exemption from design review. Design review adds time to permitting for new low-income housing. In addition to time spent during the design review process, the design review guidance can necessitate an infusion of additional City funds to keep much-needed affordable housing moving forward.

This legislation includes changes to and routine maintenance of land use code provisions specific to low-income housing and other units with affordability restrictions. The proposed amendments are referred to as “omnibus” amendments because the bulk of the changes are technical. Although those amendments are non-substantive, they make existing requirements much easier to read and understand and also make them more consistent throughout the Land Use Code.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
No.

Are there financial costs or other impacts of *not* implementing the legislation?

No. Failure to adopt the proposed cleanup amendments to the Land Use Code and related regulations would continue lack of clarity and cause ongoing interpretive issues.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
This legislation affects the Seattle Department of Construction and Inspections and the Office of Housing. The former has land use regulatory authority over low-income housing; the latter funds low-income housing and oversees compliance for the duration of the housing covenants.
- b. Is a public hearing required for this legislation?**
Yes
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
Yes
- d. Does this legislation affect a piece of property?**
No
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
Housing subject to long-term affordability restrictions, particularly publicly-funded low-income housing, improves access to rental housing and homeownership opportunities for Seattle's lowest income and most at-risk households, who are disproportionately Black, Indigenous, or other people of color. The Office of Housing addresses historical inequities in access to housing. Some share of Housing Levy funds will go to community-based organizations to support work to create or preserve they type of housing they want and most appropriate for their communities based on their own assessment.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**
No
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**
N/A

Director’s Report and Recommendation

2023 Low-Income Housing/Affordable Units Land Use Code Omnibus Ordinance
May 12, 2023

Introduction

The Seattle Office of Housing (“OH”) coordinates with the Seattle Department of Construction and Inspections (“SDCI”) on changes to and routine maintenance of Land Use Code (“LUC”) provisions specific to low-income housing and other homes with affordability restrictions. The proposed amendments are “omnibus” amendments, meaning they update and correct affordable housing-related provisions in multiple LUC chapters.

The proposed amendments are categorized as follows:

- ① Repeal more than a dozen obsolete and redundant LUC definitions related to affordable housing and eligible residents.
- ② Update the project specific definition of “low-income housing” and add new unit-specific definitions for “low-income unit,” “moderate-income unit,” and “restricted unit.”
- ③ Simplify and increase consistency of provisions by using the terms “low-income housing,” “low-income unit,” “moderate-income unit,” and “restricted unit” throughout the LUC, as applicable.
- ④ Make existing design review exemption and authorization to request waiver or modification of certain development standards (only if they do not increase building envelope size) for permanent supportive housing applicable to all low-income housing. Currently, these provisions are also available, on a temporary basis, to low-income housing that includes at least a minimum share of affordable units for households with incomes no higher than 60% AMI (area median income). Those temporary provisions sunset in January 2024. The proposed changes would make those provisions permanent and also extend them to include sale and resale-restricted homes providing ongoing affordability to buyer households with incomes no higher than 80% AMI.
- ⑤ Simplify and increase consistency of routine requirements for developments with units subject to housing affordability restrictions, where possible. Nothing in this legislation changes the terms of housing agreements already in effect.
- ⑥ Consolidate all affordable housing-related provisions of incentive zoning in downtown zones in SMC Chapter 23.58A.
- ⑦ Simplify and improve clarity and readability of affordable housing-related LUC provisions, including by correcting punctuation and grammatical errors.

Most of the amendments are technical in nature. Obsolete LUC provisions are repealed, and complex provisions are simplified and clarified. The substantive amendments include changing existing use-related provisions so that they apply to all, rather than just some, low-income housing. For low-income housing, the legislation makes the temporary design review exemption permanent and authorizes requests for waiver or modification of certain development standards that do not increase the size of

the building envelope. The amendments proposed in this omnibus legislation aim to facilitate development of low-income housing by streamlining permit reviews and reducing permitting timelines and costs.

The following is a section-by-section description of the proposed amendments. The numbering system outlined above identifies the category that best describes each change. The Director's Report starts by outlining changes to Chapter 23.84A "Definitions" since those terms are foundational to the legislation. After that section, amendments are addressed sequentially by LUC chapter. Amended LUC sections may also include minor grammatical corrections to existing language, corrections of typographical errors, and corrections or simplification of Code section hierarchy and updated references as applicable. Descriptions of those technical edits are limited or omitted.

SMC Chapter 23.84A - Definitions

- ① Repeal the following definitions listed below in Sections 23.84A.002, 23.84A.016, 23.84A.024, 23.84A.025, 23.84A.032, and 23.84A.042. Update LUC provisions using obsolete terms to instead reference low-income housing, low-income unit, moderate-income unit, or restricted unit, as applicable.
- "Affordable housing" and "Housing, affordable"
 - "Household, low-income" and "Low-income household"
 - "Household, moderate-income" and "Moderate-income household"
 - "Household, very low-income" and "Very low-income household"
 - "Housing, moderate income" and "Moderate-income housing"
 - "Housing, very low-income" and "Very low-income housing"
 - "Low-income disabled multifamily structure" and "Multifamily structure, low-income disabled"
 - "Low-income elderly/low-income disabled multifamily structure" and "Multifamily structure, low-income elderly/low-income disabled"
 - "Multifamily structure, low-income elderly"
 - "Multifamily structure, very low-income disabled" and "Very low-income disabled multifamily structure"
 - "Multifamily structure, very low-income elderly" and "Very low-income elderly multifamily structure"
 - "Multifamily structure, very low-income elderly/very low-income disabled" and "Very low-income elderly/very low-income disabled multifamily structure"
 - "Multifamily residential use, low-income disabled"
 - "Multifamily residential use, low-income elderly"
 - "Multifamily residential use, low-income elderly/low-income disabled"

Section 23.84A.016 "H"

- ② Change the definition of "Housing, low-income," which is currently "housing affordable to, and occupied by, low-income households," to "a structure or structures for which:
1. An application for public funding for the capital costs of development or rehabilitation of the structure(s) has been or will be submitted; and

2. Public funding is awarded prior to issuance of the first building permit that includes the structural frame for each structure and is conditioned on one or more regulatory agreements, covenants, or other legal instruments, enforceable by The City of Seattle, King County, State of Washington, Washington State Housing Finance Commission, or other public agency, if approved by the Director of Housing being executed and recorded on the title of the property that includes the low-income housing and such legal instruments either:
 - a. For a minimum period of 40 years, require rental of at least 40 percent of the dwelling units, small efficiency dwelling units, or congregate residence sleeping rooms as restricted units with rent and income limits no higher than 60 percent of median income; or
 - b. For a minimum period of 50 years, require at least 40 percent of the dwelling units as restricted units sold to buyers with incomes no higher than 80 percent of median income at prices (initial sale and resale) to allow modest growth in homeowner equity while maintaining long-term affordability for income-eligible buyers, all as determined by the Director of Housing.”

This definition is carefully crafted to mirror terms of standard regulatory agreements for low-income housing, including agreements for projects financed solely with low-income housing tax credits, tax-exempt bonds, and private debt. It provides sufficient flexibility to apply to publicly funded housing developments that are not necessarily City-funded. Most low-income housing exceeds the minimum requirements described in this definition for affordability levels and duration given the highly competitive nature of scarce public funding to address our region’s housing crisis.

Details specific to tenure, AMI limits, and term of affordability are currently spelled out in the body of the LUC, often in an inconsistent manner, meaning that a development that satisfies the low-income housing requirements of one provision might not satisfy the requirements of another provision. The proposed low-income housing definition is substantively consistent with existing provisions governing Mandatory Housing Affordability (MHA) exemptions but provides far greater clarity to help ensure consistent interpretation as projects move through permitting.

Section 23.84A.024 “L”

- ② Add cross reference to new term, “Low-income unit,” as defined under “Unit, low-income” in Section 23.84A.040.

Section 23.84A.025 “M”

- ⑦ Simplify and improve clarity and readability of the definition of “median income.”
- ② Add cross reference to new term, “moderate-income unit,” which is defined under “Unit, moderate-income” in Section 23.84A.040.

Section 23.84A.030 “P”

- ③ Move the definition for “permanent supportive housing” (or “PSH”) to this Section 23.84A.030 and update it to clarify PSH as a type of low-income housing paired with on- or off-site human services to support people living with complex and disabling behavioral health or physical health conditions and experiencing homelessness or at imminent risk of homelessness prior to moving

into such housing. “Permanent supportive housing” would continue to also be listed as a “residential use” in Section 23.84A.032.

Section 23.84A.032 “R”

- ⑦ The definition of “domestic violence shelter” (under “residential use”) currently refers to domestic violence shelters as “a dwelling unit.” This is corrected to read “a structure or portion of a structure.”
- ② Add “low-income housing,” as defined in Section 23.84A.016, to list of “residential uses.”
- ⑦ Retain “permanent supportive housing” in Section 23.84A.032’s list of “residential uses,” but repeal the description, which is now in Section 23.84A.030 “P”.

Section 23.84A.038 “T”

- ③ Use the newly defined term “restricted units” to simplify and clarify the definitions of “TDR site, DMC housing,” “TDR Site, housing,” and “TDR site, Landmark housing.”

Section 23.84A.040 “U”

- ② Add three new unit-specific definitions. The first two differentiate the maximum AMI limit depending on tenure (rental versus ownership). The third definition, “restricted unit” is a generic term used to reference units in a property subject to a LUC-required regulatory agreement with the City. The definitions are:

“Unit, low-income” means a dwelling unit that, for a minimum period of at least 50 years, is a restricted unit affordable to and reserved solely for families with annual incomes not to exceed 60 percent of median income for rental units or 80 percent of median income for ownership units according to one or more regulatory agreements, covenants, or other legal instruments that, as a condition to issuance of the first building permit that includes the structural frame for the structure that includes the low-income unit, shall be executed and recorded on the title of the property and are enforceable by The City of Seattle, King County, State of Washington, Washington State Housing Finance Commission, or other public agency if approved by the Director of Housing.

“Unit, moderate-income” means a dwelling unit that, for a minimum period of at least 50 years, is a restricted unit affordable to and reserved solely for families with annual incomes not to exceed 80 percent of median income for rental units or 100 percent of median income for ownership units according to one or more regulatory agreements, covenants, or other legal instruments that, as a condition to issuance of the first building permit that includes the structural frame for the structure that includes the moderate-income unit, shall be executed and recorded on the title of the property and are enforceable by The City of Seattle, King County, State of Washington, Washington State Housing Finance Commission, or other public agency if approved by the Director of Housing.

“Unit, restricted” means a unit on a property subject to a recorded agreement with the City of Seattle that limits both the unit’s rent or sale price, as applicable, and eligible residents’ annual income at a specified percentage of median income. For purposes of each restricted unit, eligible residents shall be a “family” according to 24 CFR Section 5.403 or successor provision,

and the family’s “annual income” shall be determined according to 24 CFR Section 5.609 or successor provision, unless otherwise approved in writing by the Director of Housing.

SMC Chapter 22.900G Fees Collected for Other Departments

Section 23.900G.015 Fees for review by the Office of Housing

- ⑥ Amend Section 23.900G.015 – Simplify housing review fee provisions and delete reference to sections that are either repealed or in which housing-related incentives language now references Chapter 23.58A “Incentive provisions.” Applicability and housing review fee amount is unchanged.

SMC Chapter 23.34 Amend Official Land Use Maps (Rezoning)

Section 23.34.012 Neighborhood Residential Small Lot (RSL) zone, function and locational criteria

- ⑦ Amend subsection 23.34.012.A – Clarify language about the housing affordability function of RSL zones.

Section 23.34.020 Lowrise 3 (LR3) zone, function and locational criteria

- ⑦ Amend subsection 23.34.020.C – Technical edit to condense phrase and correct punctuation.

SMC Chapter 23.41 Design Review

Section 23.41.004 Applicability

- ④ Repeal subsection 23.41.004.A.5 and amend subsection 23.41.004.B.8 – Absent temporary provisions adopted in 2020, developments of a size that trigger design review requirements and in which at least 40% of total units are restricted at levels no higher than 60% AMI are subject to administrative design review. Ord. 126072 and Ord. 126188, adopted by City Council in 2020 under the COVID Emergency Order, temporarily changed the administrative design review requirement to a design review exemption. In December 2022, City Council adopted Ord. 120464 to extend the design review exemption until January 2024 under the Homelessness Emergency Order. The proposal is to repeal subsection 23.41.004.A.5 and amend subsection 23.41.004.B.8 to establish an ongoing design review exemption for low-income housing, as defined by this legislation. This change would make the design review exemption available for the first time to publicly funded developments that include affordable ownership homes for households with incomes no higher than 80% AMI. The number of developments eligible for a design review exemption would increase modestly. Based on OH ownership funding awards for 2020, 2021, and 2022, the net annual increase would average approximately two to three projects totaling 40 to 60 units. For rental housing funded by OH during the same time period, annual new construction of multifamily housing that is not PSH but temporarily eligible for exemption from design review averages approximately five to six projects totaling 685 units.

Examples of guidance culminating from design review include enhancements to building entries to distinguish them from their surroundings, artwork or special landscaping in exterior communal areas, additional seating to encourage congregation and social interaction in patio areas, increased window depth throughout a building, or use of textured materials similar to

other buildings in the immediate area. Recommendations can increase soft costs, like design and architecture time and fees, sometimes also increase hard costs of construction, in which case subsidy amounts agreed to by the Seattle Office of Housing or another public funding partners could need to be increased. This could translate to less low-income housing even though immediate and long-term need for low-income housing already dwarf available resources. Exempting low-income housing from design review can mitigate associated and often unexpected cost increases. This exemption has been in place on a temporary basis for the large majority of low-income housing development activity for the past three years with no known adverse impacts.

- ④ Repeal subsection 23.41.004.D – The provisions in this subsection 23.41.004.D are “temporary provisions for affordable housing projects” first enacted under the Covid Emergency Order. This subsection, until it sunsets in January 2024, authorizes applicants to request waiver and modification for specific development standards through the design review exemption for low-income housing with at least a minimum share of 60% AMI units. The list of development standards for which waivers and modifications can be requested through design review is the same as currently allowed by Section 23.42.057 as a Type I decision for PSH. This legislation amends that Section so that it applies to all low-income housing, not just PSH. (Detail about development standards permissible for waiver and modification requests is provided in the explanation for Section 23.42.057 below.)
- ④ New subsection 23.41.004.D – A new subsection would also allow low-income housing that vests according to Section 23.76.026 prior to the effective date of this legislation to use the design review exemption. That option could help a few City-funded projects that are still early enough in the permitting process.

SMC Chapter 23.42 General Use Provisions

Section 23.42.055 Low-income housing on property owned or controlled by a religious organization

- ⑦ Amend Section 23.42.055 title - Amend Section title to read “Development of affordable units on property owned or controlled by a religious organization.”
- ⑦ Amend Section 23.42.055 - Simplify and provide greater clarity and readability of provisions related to development of affordable units on religious organization-owned property. Define “affordable units” for purposes of this Section, which has unique affordability requirements consistent with state authorizing statute RCW 35A.63.300. Condense affordability requirements for housing on religious-owned property. The changes remove details that are addressed in required regulatory agreements and are beyond a level appropriate for the LUC. What constitutes “monthly rent” is an example of language that is repealed.

Section 23.42.057 Permanent supportive housing

- ④ Amend Section 23.42.057 title – Change the title of this Section to read “Waivers and modifications for low-income housing.”
- ④ Amend Section 23.42.057 – Amend this Section to allow waiver or modification from certain development standards for all low-income housing, including affordable homes for buyer

households with incomes no higher than 80% AMI. Currently, SDCI may issue Type I decisions (which do not require public notice) on waiver and modification requests only from PSH applicants. The amendments would extend that authorization to include all low-income housing. As mentioned in the Section 23.41.004 amendments summary above, applicants whose residential projects have a certain share of units affordable no higher than 60% AMI can request waiver and modification of the same development standards according to temporary design review provisions. Those provisions sunset in January 2024. With this legislation, authorization to submit requests would no longer be temporary and it would apply to all low-income housing. Development standards that could be modified are unchanged. They relate to size of parking spaces, ratios of parking space sizes, overhead weather protection, façade details, size and design of indoor and outdoor communal areas, street-level details, and other similar physical development standards as determined by the SDCI Director, provided they do not increase the size of the building envelope. The existing community engagement requirement for PSH in Section 23.42.057 is unchanged.

- ④ New subsection 23.42.057.D – A new subsection would also allow low-income housing that vests according to Section 23.76.026 prior to the effective date of this legislation to request waivers and modifications under Section 23.42.057 if needed. That option could help a small number of City-funded projects that are still early enough in the permitting process.

Section 23.42.070 Parking for rented or leased multifamily dwelling units and commercial uses

- ③ Amend Section 23.42.070.B.2 – Amend this subsection to reference the term “moderate-income units.” This is an existing exception related to leases for housing and residential parking.

SMC Chapter 23.44 Neighborhood Residential

Section 23.44.019 Alternative development standards for low-income housing on property owned or controlled by a religious organization

- ⑦ Amend Section 23.44.019 title - Amend the title of this Section to read “Alternative standards for development of affordable units on property owned or controlled by a religious organization.” This is consistent with Section 23.42.055 as amended.

Section 23.44.024 Clustered housing planned developments

- ③ Amend Section 23.44.024 – Replace the words “affordable housing,” which is undefined for purposes of Chapter 23.44, with low-income housing.

Section 23.44.034 Planned residential development (PRD)

- ③ Amend Section 23.44.034 - Replace the words “affordable housing,” which is undefined for purposes of Chapter 23.44, with low-income housing.

Section 23.44.041 Accessory dwelling units

- ③ Amend subsection 23.44.041.A.1 – This subsection allows a second accessory dwelling unit to be built on a lot by one of three ways. The applicant can add a second accessory dwelling unit by (1) converting floor area within an existing structure; (2) building a new structure that complies with green building standards; or (3) entering into an agreement with the City to rent the

second accessory dwelling unit at affordability levels no higher than 80% AMI for 50 years. The amendment replaces language describing the third option with the defined term low-income unit. For applicants that opt for deed restrictions on the second accessory dwelling unit, the change reduces the affordability limit to 60% AMI for rental occupancy and allows the 80% AMI limit if the accessory dwelling unit is owner occupied. The minimum 50-year duration of the housing covenants is unchanged.

SMC Chapter 23.45 Multifamily

Section 23.45.510 Floor area

- ③ Amend subsection 23.45.510.D.13 – Replace permanent supportive housing with low-income housing. This change extends to all low-income housing an existing floor area exemption for accessory human services. That type of use is currently only exempt for purposes of calculating FAR in PSH developments. Although most low-income housing that also includes accessory human services is PSH, this change eliminates an FAR penalty for other low-income housing that might include this use. Consumer and credit counseling, information and referral services for employment or education, food banks, and community health care clinics are examples of accessory human service uses.

Section 23.45.512 Density limits and family-size unit requirements – LR zones

- ③ Amend subsection 23.45.512.A.4 – This subsection currently allows a higher density limit for certain affordable housing in LR1 zones. The amendment simplifies a three-part Code provision to a single sentence stating, “Low-income housing shall have a maximum density of one dwelling unit per 400 square feet of lot area.” The density exception is unchanged, but using the term low-income housing clarifies the affordability requirements and adopts a standard duration for housing covenants (the language currently refers to the “life of the structure,” which is inconsistent with the City’s and other public agencies’ regulatory agreements).

Section 23.45.516 Method to achieve extra residential floor area in HR zones

- ⑦ Amend subsection 23.45.516.B.1 – Removes the word “program” in reference to affordable housing incentives. The City does not oversee the LUC’s various incentive zoning provisions as a discrete program.

Section 23.45.550 Alternative development standards for low-income housing on property owned or controlled by a religious organization

- ⑦ Amend Section 23.45.550 title – Amend the title of this Section to read “Alternative standards for development of affordable units on property owned or controlled by a religious organization.” This is consistent with Section 23.42.055 as amended.

SMC Chapter 23.47A Commercial

Section 23.47A.004 Permitted and prohibited uses

- ③ Amend Table A for 23.47A.004 – In column of table that states permanent supportive housing is permitted outright in C2 zones, change permanent supportive housing to low-income housing. Currently low-income housing that is not PSH would require application for a conditional use permit in C2 zones.

Section 23.47A.005 Street-level uses

- ③ Amend subsection 23.47A.005.C.2.a – In a provision about allowable street-level residential uses, replace reference to low-income housing existing as of 5/1/2006 with simply low-income housing. This could enable greater flexibility of uses in ground floor levels for publicly subsidized housing.
- ⑦ Amend subsection 23.47A.005.C.2.d – Delete reference to conversion of live-work space to an accessory dwelling unit that meets the owner occupancy requirement of subsection 23.44.041.C. The current Code does not include an owner occupancy requirement.
- ③ Repeal subsection 23.47A.005.C.2.e and subsection 23.47A.005.C.2.f – These subsections identify other affordable housing allowed as street-level residential uses. With the amendment to reference low-income housing in subsection 23.47A.005.C.2.a, these subsections are no longer necessary.
- ③ Amend subsection 23.47A.005.D.1.o - In a list of uses that must comprise at least 80 percent of the street-level, street-facing façade, replace permanent supportive housing with low-income housing. This could enable greater flexibility of uses in ground floor levels for publicly subsidized housing.

Section 23.47A.013 Floor area ratio

- ③ Amend subsection 23.47A.013.B.9 - Replace permanent supportive housing with low-income housing. This change extends to all low-income housing an existing floor area exemption for accessory human services. Accessory human services are currently exempt for purposes of calculating FAR only in PSH developments. Although most low-income housing that also includes accessory human services is PSH, this change eliminates an FAR penalty for other low-income housing that might include this use. Consumer and credit counseling, information and referral services for employment or education, food banks, and community health care clinics are examples of accessory human service uses.

Section 23.47A.040 Alternative development standards for low-income housing on property owned or controlled by a religious organization

- ⑦ Amend Section 23.47A.040 title - Amend the title of this Section to read “Alternative standards for development of affordable units on property owned or controlled by a religious organization.” This is consistent with Section 23.42.055 as amended.

SMC Chapter 23.48 Seattle Mixed

Section 23.48.005 Uses

- ③ Amend subsection 23.48.005.D.1.j - In a list of one or more uses required along the street-level façade of specified streets, replace permanent supportive housing with low-income housing. This could enable greater flexibility of uses in ground floor levels for publicly subsidized housing.

Section 23.48.020 Floor area ratio (FAR)

- ③ Amend subsection 23.48.020.B.8 - Replace permanent supportive housing with low-income housing. This change extends to all low-income housing an existing floor area exemption for

accessory human services. That type of use is currently only exempt for purposes of calculating FAR in PSH developments. Although most low-income housing that also includes accessory human services is PSH, this change eliminates an FAR penalty for other low-income housing that might include this use. Consumer and credit counseling, information and referral services for employment or education, food banks, and community health care clinics are examples of accessory human service uses.

Section 23.48.100 Alternative development standards for low-income housing on property owned or controlled by a religious organization

- ⑦ Amend Section 23.48.100 title - Amend the title of this Section to read “Alternative standards for development of affordable units on property owned or controlled by a religious organization.” This is consistent with Section 23.42.055 as amended.

Section 23.48.232 Lot area limits in SM-SLU/R 65-95

- ③ Amend subsection 23.48.232.F.4.c – Replace detailed affordability provisions with the term moderate-income unit in a provision that provides an option for satisfying requirements to include a non-residential structure in an otherwise residential or mixed-use zone. Simplification of this provision eliminates an obsolete 20-year term of affordability for restricted units. The AMI limits are unchanged.

Section 23.48.605 Uses in SM-U zones

- ③ Amend subsection 23.48.605.C.1.k – In a list of one or more uses required along the street-level façade of specified streets replace permanent supportive housing with low-income housing. This could enable greater flexibility of uses in ground floor levels for publicly subsidized housing.

Section 23.48.920 Floor area ratio in SM-RB zones

- ③ Amend subsection 23.48.920.B.6 - Replace detailed eligibility language specific to a higher FAR limit for certain affordable housing with the term low-income housing. The change expands the provision to include affordable ownership for households with incomes no higher than 80% AMI. Currently, the FAR limit only applies to low-income housing with rent and income limits no higher than 60% AMI, publicly funded developments that include affordable ownership homes for households with incomes no higher than 80% AMI.

SMC Chapter 23.49 Downtown Zoning

Section 23.49.007 Mandatory housing affordability (MHA)

- ⑦ Amendment to Section 23.49.007 title - Change the title of this Section to “Mandatory housing affordability (MHA) in Downtown zones” for clarity and consistency with titles of parallel sections in other zone chapters.

Section 23.49.008 Structure height

- ⑥ Amend Section 23.49.008 – Throughout this Section, reference Chapter 23.58A “Incentive provisions” in lieu of bonus provisions according to Chapter 23.49.015. Chapter 23.49.015 became obsolete with implementation of MHA in Downtown zones. This Code clean-up does not change requirements for development in Downtown zones. Requirements for bonus residential floor area continue to be satisfied by complying with Chapter 23.58C, the affordable

housing incentive program authorized by RCW 36.70A.540 commonly referred to as MHA-Residential.

- ⑦ Amend subsection 23.49.008.G – Amend this subsection for clarity. This subsection allows 10 additional feet in height and has MHA requirements different than Chapter 23.58C for the floor area and units on that additional floor.
- ⑦ New subsection 23.49.008.I – Add a new subsection stating that low-income housing may achieve maximum height according to provisions of the zone without meeting the requirements of Section 23.49.008. This language mirrors existing language in Section 23.49.023, which outlines incentive zoning requirements for South Downtown zones. Although this change does not alter existing requirements, it eliminates the potential for unnecessary reviews to establish that low-income housing provides more restricted units than required through incentive zoning, if applicable.

Section 23.49.010 General requirements for residential uses

- ⑥ Amend subsection 23.49.010.B.1 – In reference to common recreation area requirements, replace “excluding any floor area in a residential use gained in a project through a voluntary agreement for housing according to Section 23.49.015” with “excluding any bonus residential floor area achieved according to Section 23.58A.014.” Chapter 23.49.015 became obsolete with implementation of MHA in Downtown zones.

Section 23.49.012 Bonus floor area for voluntary agreements for housing and child care

- ⑥ Amend Section 23.49.012 - Repeal housing-related portions of this Section that became obsolete in 2017 with adoption of Downtown upzones to implement MHA and instead reference Chapter 23.58A, “Incentive provisions.” This Code clean-up does not change requirements for development in Downtown zones. Requirements for bonus non-residential floor area are satisfied by complying with Chapter 23.58C, the affordable housing impact mitigation program commonly referred to as MHA-Commercial.
- ⑦ Amend subsection 23.49.012.C.1 (as renumbered) – Condense and update in lieu payment provisions for childcare. The per square foot cash contribution amount is updated to reflect the current payment amount according to [SDCI Tip 258, Developer Contributions - Incentive Zoning](#). Amended language related to automatic adjustments to the payment amount in proportion to changes in the CPI-U All Items index improves clarity and readability consistent with original intent.
- ⑦ Amend subsection 23.49.012.C.2 (as renumbered) – Update the name of the Washington state department that oversees licensing for childcare facilities. Also update the name of the Human Services Department’s childcare assistance program.

Section 23.49.014 Transfer of development rights

- ③ Amend subsection 23.49.014.B.8 – Simplify and clarify requirements for affordable housing as a condition to transfer of housing TDR, Landmark housing TDR, or DMC housing TDR by using the term restricted units.

Section 23.49.015 Bonus residential floor area in DOC1, DOC2, and DMC zones outside South Downtown for voluntary agreements for low-income housing and moderate-income housing

- ⑥ Repeal Section 23.49.015 - This Section became obsolete in 2017 upon adoption of Downtown upzones to implement MHA. All provisions related to bonus floor area above base height limit now reference Chapter 23.58A.

Section 23.49.023 Extra residential floor area and hotel floor area in South Downtown; transferable development potential (TDP); limits on TDP sending sites

- ⑦ Amend subsection 23.49.023.B - Delete the word “programs” in reference to options for satisfying conditions to extra floor area.
- ③ Amend subsection 23.49.023.B.2 – Simplify and clarify a provision waiving extra floor area requirements for affordable, income-restricted housing by using the term low-income housing.

Section 23.49.037 Alternative development standards for low-income housing on property owned or controlled by a religious organization

- ⑦ Amend Section 23.49.037 title - Amend the title of this Section to read “Alternative standards for development of affordable units on property owned or controlled by a religious organization.” This is consistent with Section 23.42.055 as amended.
- ⑦ Amend Section 23.49.037 – Change “affordability and eligibility requirements of Section 23.42.055” to read “requirements of Section 23.42.055.” The reference relates to all requirements of that Section, not just the “affordability and eligibility” requirements.

Section 23.49.041 Combined lot development

- ⑦ Amend subsection 23.49.041.D.5 - Simplify this provision by deleting a redundant reference to housing affordability levels that the SDCI Director may consider when deciding whether to allow combined lot development.

Section 23.49.058 Downtown Office Core 1 (DOC1), Downtown Office Core 2 (DOC2), and Downtown Mixed Commercial (DMC) upper-level development standards

- ⑥ Amend subsection 23.49.058.C.1.b – Replace reference to Section 23.49.015 with reference to Chapter 23.58A, “Incentive provisions.” Section 23.49.015 became obsolete in 2017 with adoption of Downtown upzones to implement MHA.

Section 23.49.164 Downtown Mixed Residential, maximum width, depth and separation requirements

- ③ Amend subsection 23.49.164.C - Simplify this subsection by using the term low-income housing. Alternative development standards that apply to low-income housing existing on or before 9/11/1988 would apply to all low-income housing. The amendments enable a lengthy description of affordability and term of housing covenants to be repealed since those details are captured in the definition of low-income housing.
- ③ Amend subsection 23.49.164.D.7 – Simplify this subsection by using the term low-income housing. SDCI Director consultation with the Director of Neighborhoods prior to a decision on

waiver and modification requests for affordable housing is modified to also include the Director of Housing. The basis for SDCI’s decision on departures in South Downtown DMR/C zones is clarified as facilitation of low-income housing development. The amendments enable a lengthy description of affordability and term of housing covenants to be repealed since those details are captured in the definition of low-income housing.

Section 23.49.180 Additional height in the PSM 85-120 zone

- ⑥ Amend subsection 23.49.180.A – Amend this subsection regarding “general intent” to provide greater clarity and readability and to reference the definition of affordable housing according to Chapter 23.58A, “Incentive provisions.”
- ⑥ Amend subsections 23.49.180.C and 23.49.180.E.1 – Amend these subsections to reference Chapter 23.58A, “Incentive provisions.” Although there are no longer developable lots in the PSM 85-120 zone, this change means an obsolete Section 23.49.181 can be repealed.

Section 23.49.181 Bonus floor area for affordable housing in the PSM 85-120 zone

- ⑥ Delete Section 23.49.181 - Repeal obsolete Section 23.49.181 in concert with amendments to Section 23.49.180. All provisions related to bonus floor area in the PSM 85-120 zone now reference Chapter 23.58A.

SMC Chapter 23.54 Quantity and design standards for access, off-street parking, and solid waste storage

Section 23.54.015 Required parking and maximum parking limits

- ③ Amend Table B for 23.54.015 – This amendment replaces detailed provisions in the body of the Table and in multiple footnotes with a single, short statement that parking is not required for low-income units and moderate-income units. The provision would apply to low-income units and moderate-income units in multifamily residential uses and cottage housing developments. Existing provisions provide a parking exemption for each unit affordable at 80% AMI. As amended, homes with long-term initial sale and resale price restrictions ensuring affordability to buyer households with incomes no higher than 100% AMI would also qualify for the per unit exemption. To date, there are no homes subject to affordability limits higher than 80% AMI in Seattle. Development of such units would require exclusively private sector financing, which is unlikely. However, the change is consistent with the original intent of the provision to reduce parking requirements for affordable housing.
- ③ Amend footnote 5 in Table D for 23.54.015 – This focuses applicability of existing exemption and waiver provisions on units in publicly funded low-income housing. For units with an affordability limit above 30% AMI but less than 60% AMI (for rental) or 80% AMI (for ownership), a waiver is only allowed if alternative bike storage is provided. That requirement is unchanged. The affordability limit is increased to 80% AMI so that the exemption also would apply to development that creates homeownership opportunities with ongoing affordability of sales and resales for low-income buyers. The 80% AMI affordability limit provides additional flexibility and potential cost savings for publicly funded development of affordable for-sale homes.

SMC Chapter 23.58A Incentive provisions

Section 23.58A.002 Scope of chapter; general rules

- ⑦ Add new subsection 23.58A.002.D - Add a new subsection stating that low-income housing may achieve bonus floor area according to provisions the zone without meeting the requirements of Chapter 23.58A. This language mirrors existing language in Section 23.49.023, which outlines incentive zoning requirements for South Downtown zones. Although this change does not alter existing requirements, it eliminates the potential for unnecessary reviews to establish that low-income housing provides more restricted units than required through incentive zoning, if applicable.

Section 23.58A.003 Affordable housing incentive programs: purpose and findings

- ⑦ Amend Section title - Amend the title of this Section to read “Affordable housing incentives: purpose and findings.” Delete the word “programs.” The City does not oversee the LUC’s various incentive zoning provisions as a discrete program.
- ⑦ Amend subsection 23.58A.003.A and subsection 23.58A.003.C.1 - Remove the word “program” in these two subsections. The City does not oversee the LUC’s various incentive zoning provisions as a discrete program.
- ⑦ Amend subsection 23.58A.003.C1 – Simplify and clarify this subsection regarding findings by referencing affordable housing as defined specifically for purposes of Chapter 23.58A. In addition, delete an unnecessary modifier for affordable housing that reads “not receiving public subsidies” since AMI limits for publicly funded affordable housing are equivalent to or lower than Chapter 23.58A AMI limits that apply to performance units provided as a condition to extra floor area.

Section 23.58A.004 Definitions

- ⑦ Amend Section 23.58A.004 – Replace “a unit or units of housing” with defined term “restricted units” in Chapter 23.58A’s definition of “affordable housing.” Replace “low-income housing” with “affordable housing,” as defined for purposes of Chapter 23.58A, throughout this Section and other technical corrections and clarifications.

Section 23.58A.014 Bonus residential floor area for affordable housing

- ⑦ Amend subsection 23.58A.014.B.1 - Clarify calculation of floor area provided as affordable housing as a condition of bonus floor area by using the term “net unit area.” Subsection 23.86.007.B defines that term for the purpose of measuring residential units. In addition, remove a provision that became obsolete many years ago with adoption of affordability requirements for units with net unit area 400 square feet or less.
- ⑤ Amend subsection 23.58A.014.B.2 – Add new provision to authorize release of the housing performance agreement if a property is acquired to provide low-income housing and the acquisition is funded by the Office of Housing.
- ⑦ Amend subsection 23.58A.014.B.3 – Simplify duration of affordable housing agreement language.

- ⑦ Amend subsection 23.58A.014.B.4 – Simplify and clarify provisions related to size and distribution of affordable housing units.
- ⑤ Amend subsection 23.58A.014.B.5.b - Replace existing annual report provision with standard reporting requirements for properties that include restricted units. Reporting requirements are now succinct and uniform throughout the land use code.
- ⑤ Add new subsection 23.58A.014.B.5.c - Add a new subsection with a standard annual compliance fee for properties that include restricted units for renter occupancy. The fee amount and annual adjustment for inflation are the same as adopted in 2016 with MHA framework legislation. A new clause allows a lower fee if the Director of Housing determines it will cover compliance monitoring costs. Compliance fee provisions are now succinct and uniform throughout the land use code.
- ⑤ Amend subsection 23.58A.014.B.6.a – Condense detailed language related to initial sale and resale prices.
- ⑦ Amend subsection 23.58A.014.B.6.b (as renumbered) - Clarify provision by replacing “consistent with the affordability restriction on the same basis” with reference to the Code section that provides requirements for initial sale and resale prices.
- ⑤ Add new subsection 23.58A.014.B.6.c – Add standard reporting requirements for properties that include restricted units for owner occupancy. Reporting requirements are now succinct and uniform throughout the land use code.
- ⑤ Add new subsection 23.58A.014.B.6.d – Add a new subsection authorizing a standard annual stewardship fee by rule for properties that include restricted units for owner occupancy, as currently is in the MHA framework. Stewardship fee provisions are now succinct and uniform throughout the land use code.
- ⑦ Amend subsection 23.58A.014.B.8.a – Condense provisions outlining priority locations for off-site affordable housing.
- ⑤ Amend subsection 23.58A.014.B.9 - Replace lengthy and complicated language governing the use of subsidies for affordable housing provided as a condition of bonus floor area with a simple “no other restrictions” clause specific to the unit rather than the project. This means that any unit provided to satisfy requirements for bonus floor area may not be the same unit as provided to satisfy unrelated affordability and income restrictions (e.g., property tax exemption requirements). This simplifies the process for certifying that public benefits required according to Section 23.58A.014 are met.
- ⑤ Amend subsection 23.58A.014.B.10 – Technical edits to existing requirement about housing review fees according to Section 22.900G.015. The applicability and amount of the fee is unchanged.
- ⑦ Amend Section 23.58A.014.C – Condense and update in lieu payment provisions for affordable housing. The per square foot cash contribution amount is updated to reflect the current payment amount according to [SDCI Tip 258, Developer Contributions - Incentive Zoning](#). Amended language related to automatic adjustments to the payment amount in proportion to

changes in the CPI-U All Items index improves clarity and readability consistent with original intent.

Section 23.58A.024 Bonus non-residential floor area for affordable housing and child care

- ⑦ Amend subsection 23.58A.024.B.1 – Clarify calculation of floor area provided as affordable as a condition of bonus floor area by using the term “net unit area.” That term is defined in subsection 23.86.007.B for the purpose of measuring residential units.
- ⑤ Amend subsection 23.58A.024.B.2 – Add new provision to authorize release of the housing performance agreement if the property is acquired to provide low-income housing and the acquisition is funded by the Office of Housing.
- ⑦ Amend subsection 23.58A.024.B.3 – Simplify duration of affordable housing agreement language.
- ⑦ Amend subsection 23.58A.024.B.4 – Simplify and clarify provisions related to size and distribution of affordable housing units.
- ⑤ Amend subsection 23.58A.024.B.5.b - Replace existing annual report provision with standard reporting requirements for properties that include restricted units. Reporting requirements are now succinct and uniform throughout the land use code.
- ⑤ Add new subsection 23.58A.024.B.5.c - Add a new subsection with a standard annual compliance fee for properties that include restricted units for renter occupancy. The fee amount and annual adjustment for inflation are the same as adopted in 2016 with MHA framework legislation. A new clause allows a lower fee if the Director of Housing determines it will cover compliance monitoring costs. Compliance fee provisions are now succinct and uniform throughout the land use code.
- ⑤ Amend subsection 23.58A.024.B.6.a – Condense detailed language related to initial sale and resale prices.
- ⑦ Amend subsection 23.58A.024.B.6.b (as renumbered) - Clarify provision by replacing “consistent with the affordability restriction on the same basis” with reference to the Code section that provides requirements for initial sale and resale prices.
- ⑤ Add new subsection 23.58A.024.B.6.c – Add standard reporting requirements for properties that include restricted units for owner occupancy. Reporting requirements are now succinct and uniform throughout the land use code.
- ⑤ Add new subsection 23.58A.024.B.6.d – Add a new subsection authorizing a standard annual stewardship fee by rule for properties that include restricted units for owner occupancy, as currently is in the MHA framework. Stewardship fee provisions are now succinct and uniform throughout the land use code.
- ⑦ Amend subsection 23.58A.024.B.8.a – Condense provisions outlining priority locations for off-site affordable housing.

- ⑤ Amend subsection 23.58A.024.B.9 - Replace lengthy and complicated language governing the use of subsidies for affordable housing provided as a condition of bonus floor area with a simple “no other restrictions” clause specific to the unit rather than the project. This means that any unit provided to satisfy requirements for bonus floor area may not be the same unit as provided to satisfy unrelated affordability and income restrictions (e.g., property tax exemption requirements). This simplifies the process for certifying that public benefits required according to Section 23.58A.024 are met.
- ⑤ Amend subsection 23.58A.024.B.10 – Technical edits to existing requirement about housing review fees according to Section 22.900G.015. The applicability and amount of the fee is unchanged.
- ⑦ Amend Section 23.58A.014.D – Condense and update in lieu payment provisions for affordable housing and childcare. The per square foot cash contribution amounts are updated to reflect the current payment amounts according to [SDCI Tip 258, Developer Contributions - Incentive Zoning](#). Amended language related to automatic adjustments to the payment amounts in proportion to changes in the CPI-U All Items index improves clarity and readability consistent with original intent.

Section 23.58A.042 Transferable development potential (TDP) and rights (TDR)

- ③ Amend subsection 23.58A.042.E.2 - Simplify and clarify requirements for affordable housing as a condition to transfer of housing TDR, Landmark housing TDR, or DMC housing TDR by using the term “restricted units.”

SMC Chapter 23.58B Affordable housing impact mitigation program for commercial development

23.58B.010 Intent for implementation

- ⑦ Amend Section 23.58B.010 - Replace “program performance” with “outcomes.” This is consistent with the context, which relates to evaluation of MHA-C outcomes, and eliminates potential confusion with MHA’s performance option.

23.58B.020 Applicability and general requirements

- ③ Amend subsection 23.58B.020.C – Replace lengthy paragraph detailing eligibility for MHA-C exemption with single sentence reading “Low-income housing that includes floor area in commercial use is exempt from the requirements of this Chapter 23.58B.”
- ⑦ Amend subsection 23.58B.020.D – Clarify and improve readability of this subsection explaining the relationship of MHA-C to incentive zoning.

Section 23.58B.025 Permit documentation

- ⑦ Amend Section 23.58B.025 – Throughout this Section, clarify calculation of floor area of MHA-C units provided through the performance option by using the term “net unit area.” Subsection 23.86.007.B defines that term for the purpose of measuring residential units.

- ⑤ New subsection 23.58B.025.A.6 – Add a new subsection referencing permit fees required according to Section 22.900G.015, consistent with parallel subsections in other LUC chapters. Applicability and housing review fee amount is unchanged.

Section 23.58B.040 Mitigation of impacts – payment option

- ⑦ In Tables A and B for Section 23.58B.040, the per square foot cash contribution amounts are updated to reflect the current payment amounts according to [SDCI Tip 257, Developer Contributions - Mandatory Housing Affordability](#). Amended language related to automatic adjustments to payment amounts in proportion to changes in the CPI-U Shelter index improves clarity and readability consistent with original intent.
- ⑦ Amend subsection 23.58B.040.B.2 – Delete vague and unnecessary language about commitment of MHA-C funds “over multiple years.”

Section 23.58B.050 Mitigation of impacts – performance option

- ⑦ Amend subsection 23.58B.050.A.1 – Clarify calculation of floor area of MHA-C units provided through the performance option by using the term “net unit area.” Subsection 23.86.007.B defines that term for the purpose of measuring residential units.
- ⑤ Amend subsection 23.58B.050.B.7 (as renumbered) - Replace lengthy and complicated language governing the use of subsidies for MHA-C units provided through the performance option with a simple “no other restrictions” clause specific to the unit rather than the project. This means that any unit provided to satisfy requirements of Chapter 23.58B may not be the same unit as provided to satisfy unrelated affordability and income restrictions (e.g., property tax exemption requirements). This simplifies the process for certifying that public benefits required according to Section 23.58B.050 are met.
- ⑤ Amend subsection 23.58B.050.B.11 (as renumbered) – Condense and clarify annual report provisions with standard reporting requirements for properties that include MHA-C units provided under the performance option. Reporting requirements are now succinct and uniform throughout the land use code.
- ⑤ Amend subsection 23.58B.050.14 (as renumbered) – Condense and clarify annual compliance fee requirements for properties that include MHA-C units provided through the performance option. The fee amount and annual adjustment for inflation are the same as adopted in 2016 with MHA framework legislation. A new clause allows a lower fee if the Director of Housing determines it will cover compliance monitoring costs. Compliance fee provisions are now succinct and uniform throughout the land use code.
- ⑤ Amend subsection 23.58B.050.B.17 (as renumbered) - Add new provision to authorize release of the housing performance agreement if the property is acquired to provide low-income housing and the acquisition is funded by the Office of Housing.

Section 23.58B.060 Definitions

- ③ Amend Section 23.58B.060 – Change the term “MHA-C housing” to “MHA-C unit” and in the definition of MHA-C unit, change “means housing provided” to “means a restricted unit” provided. Use the term MHA-C unit throughout Chapter 23.58B, as applicable.

Chapter 23.58C Mandatory housing affordability for residential development

23.58C.020 Definition

- ⑦ Amend Section 23.58A.020 – Improve clarity and readability of Chapter 23.58C’s definition of “unit” and correct punctuation errors. Establish term “MHA-R unit” for any restricted unit provided to comply with Chapter 23.58C. Replace phrase “unit provided through the performance option” with “MHA-C unit” throughout the Chapter.

23.58C.025 Applicability and general requirements

- ③ Amend subsection 23.58C.025.C – Replace lengthy paragraph detailing eligibility for MHA-R exemption with single sentence reading “Low-income housing is exempt from the requirements of this Chapter 23.58C.”
- ⑦ Amend subsection 23.58C.025.D – Clarify and improve readability of this subsection explaining the relationship of MHA-R to incentive zoning.

23.58C.030 Permit documentation

- ⑤ New 23.58C.030.A.7 – Add a new subsection referencing permit fees required according to Section 22.900G.015, consistent with parallel subsections in other LUC chapters. Applicability and housing review fee amount is unchanged.

23.58C.040 Affordable housing—payment option

- ⑦ In Tables A and B for Section 23.58C.040, the per square foot cash contribution amounts are updated to reflect the current payment amounts according to [SDCI Tip 257, Developer Contributions - Mandatory Housing Affordability](#). Amended language related to automatic adjustments to payment amounts in proportion to changes in the CPI-U Shelter index improves clarity and readability consistent with original intent.
- ⑦ Amend subsection 23.58C.040.B.1 – Delete vague and unnecessary language about commitment of MHA-C funds “over multiple years.”

23.58C.050 Affordable housing—performance option

- ⑦ Amend subsection 23.58C.050.C.2.c – Add reference to 23.86.007.B, which defines net unit area.
- ⑤ Amend subsection 23.58C.050.C.5 - Replace lengthy and complicated language governing the use of subsidies for MHA-C units provided through the performance option with a simple “no other restrictions” clause specific to the unit rather than the project. This means that any unit provided to satisfy requirements of Chapter 23.58C may not be the same unit as provided to satisfy unrelated affordability and income restrictions (e.g., property tax exemption requirements). This simplifies the process for certifying delivery of public benefits according to Section 23.58C.050.
- ⑤ Amend subsection 23.58C.050.C.6.d - Condense and clarify annual report provisions with standard reporting requirements for properties that include MHA-R units provided under the performance option. Reporting requirements are now succinct and uniform throughout the land use code.

- ⑤ Amend subsection 23.58C.050.6.e – Condense and clarify annual compliance fee requirements for properties that include MHA-R units for renter occupancy. The fee amount is unchanged and adjustments for inflation would now be at the discretion of the Director of Housing rather than mandatory. Compliance fee provisions are now succinct and uniform throughout the land use code.
- ⑦ Amend subsection 23.58C.050.6.i – Clarify calculation of payment in lieu of continuing affordability when rental MHA-R units are converted to ownership MHA-R units, consistent with intent. The percentage of in-lieu payment amount owed is unchanged.
- ⑦ Amend subsection 23.58C.050.C.7.c.2 – Delete “program” in reference to rules established by the Director of Housing.
- ⑤ Amend subsection 23.58C.050.C.7.d – Condense and clarify annual stewardship fee requirements for properties that include MHA-R units for owner occupancy. Director of Housing establishment of the initial fee by rule is unchanged. Stewardship fee provisions are now succinct and uniform throughout the land use code.
- ⑤ Add new subsection 23.58C.050.C.7.f – Add new provision requiring the applicant or third-party stewardship entity, as applicable, to submit a compliance report for affordable homes for owner-occupancy no less than annually.
- ⑤ Amend subsection 23.58C.050.E – Add new provision to authorize release of the housing performance agreement if the property is acquired to provide low-income housing and the acquisition is funded by the Office of Housing.

SMC 23.66 Special review districts

Section 23.66.100 Creation of district, legislative findings and purpose

- ⑦ Amend subsection 23.66.100.A – Change “housing types for all income groups” to “housing types for people of all income levels.”
- ⑦ Amend subsection 23.66.100.C – Improve clarity and readability of general provisions related to social diversity in pioneer square zones. Change “housing for persons of many income groups” to “housing for persons with a wide range of incomes.”

Section 23.66.310 Union Station Corridor goals and objectives

- ⑦ Amend subsection 23.66.310.B – Delete the word “existing” in aspirational provision about preservation of low-income housing.

SMC 23.70 Mobile home park overlay district

Section 23.70.008 Permitted and prohibited uses

- ⑦ Amend subsection 23.70.008.A – In subsection related to uses permitted outright in the mobile home park overlay district, delete use of defined term low-income housing, which as modified is inconsistent with the overlay’s housing requirements. Improve clarity and readability of this sentence.

Section 23.70.010 Development standards for residential uses

- ⑦ Amend subsection 23.70.010.B – Improve clarity and readability of this subsection related to housing with affordability restrictions. Clarify provision that addresses requirements that would apply in event the lot is subject to more than one regulatory agreement. In subsection 23.70.008.B.1.a, delete “adjusted for household size” after references to median income. The definition of “median income” according to Section 23.84A.025 adjusts for household size. Subsection 23.70.008.B.1.b is corrected to also reference congregate residence sleeping rooms, consistent with subsection 23.70.008.B.1.a.
- ⑦ Amend subsection 23.70.010.B.5.a (as renumbered) – Change reference to “low-income housing development” to instead read “housing development according to subsection 23.70.008.B.”
- ⑦ New subsection 23.70.010.B.6 – Consolidate details about what constitutes “monthly rent” for purposes of subsection 23.70.010.B in a single subsection. Identical language is currently repeated twice in subsection 23.70.010.B.

SMC Chapter 23.72 Sand Point overlay district

Section 23.72.002 Purpose and intent

- ③ Amend subsection 23.72.002.C – Change “affordable housing” to “low-income housing.”

Section 23.72.010 Development standards

- ③ Amend subsection 23.72.010.D.1.b – Change “affordable housing structures” to “low-income housing” and correct acronym for the zone referenced in this subsection.

SMC Chapter 23.73 Pike/Pine conservation overlay district

Section 23.73.010 Floor area limits outside the Conservation Core

- ③ Amend subsection 23.73.010.B.1.c – Replace detailed description of affordable housing eligible for exceptions to the floor area limit with reference to the newly defined term “moderate-income unit.” The affordability levels required are unchanged.

Section 23.73.016 Amenity area

- ③ Amend subsection 23.73.016.B – Replace detailed description of affordable housing eligible for an amenity requirement exemption with reference “low-income housing,” as newly defined. The affordability limit for rental units is unchanged. The amendment extends the exemption to also include ownership low-income housing, which has 80% AMI limit. In addition, the change reduces the duration of the affordability requirements from 99 years to 40 or 50 years, depending on tenure, consistent with standard regulatory terms for low-income housing that is City-funded and/or financed with low-income housing tax credits and tax-exempt bonds.
- ③ Amend subsection 23.73.016.C – Shorten and clarify provision allowing amenity area in existing affordable housing to be eliminated. Use term low-income housing, parallel to change in 23.73.016.B.

SMC Chapter 23.75 Master Planned Communities

Section 23.75.020 Definitions

- ⑦ Amend subsection 23.75.020.B – Amend the definition of “affordable housing” to reference “replacement unit,” “60% AMI unit,” and “80% AMI unit,” which are each defined for purposes specific to Chapter 23.75. In the definition of “affordable housing,” state what “household” means since the Chapter 23.84A definition of that same term is incompatible as it relates to restricted units. Also state what “annual income” means for purposes of Chapter 23.75.

In the definition of “replacement unit,” change reference to “housing unit” to just “unit” since the Chapter 23.84A definition of “housing unit” is incompatible with requirements for restricted units.

Replace the words “percent of MI” with “% AMI.” In the definitions of “60% AMI unit” and “80% AMI unit” delete “of affordable housing” because affordable housing by definition includes those unit types. For each of these defined terms, delete “as defined in Section 23.84A.025” in reference to term median income.

Update Chapter 23.75 to use defined terms, as amended.

Section 23.73.085 Residential floor area limits; affordable housing incentive program

- ⑦ Amend Section 23.75.085 title - Amend the title to read “Residential floor area limits; affordable housing incentives.” Remove the word “program.” The City does not oversee the LUC’s various incentive zoning provisions as a discrete program.
- ⑦ Amend subsection 23.75.085.B.2 – Replace detailed language regarding affordability with reference to terms already defined for purposes of this Chapter 23.75. Delete reference to “program.”
- ⑦ Amend Table A for 23.75.085 – Edit Column 2 heading for clarity. Edit Column 2 descriptions of what units count for purposes achieving Tier 1, 2, 3 and 4 maximum residential floor area allowed in the MPC-YT zone. Edit footnote 1 of Table A for clarity.
- ⑦ Amend subsection 23.75.085.D.2.d (as renumbered) – Clarify provision by replacing “requirements on the same basis” with references to the Code sections that provide requirements for initial sale and resale prices.
- ⑦ Amend subsection 23.75.085.D.3 (as renumbered) – Clarify a requirement about minimum average floor area of affordable housing units by using a term “net unit area.” That term is defined in Section 23.86.007.B for the specific purpose of ensuring consistent methodology for measurement of units in developments subject to affordability requirements.
- ⑤ Add a new subsection 23.75.085.D.5 – Add a new subsection with standard reporting requirements for properties that include restricted units. Reporting requirements are now succinct and uniform throughout the land use code.
- ⑤ Add new subsection 23.75.085.D.6 - Add a new subsection with a standard annual compliance fee for properties that include affordable units. For rental units, the fee amount and annual adjustment for inflation are the same as adopted in 2016 with MHA framework legislation. A

new clause allows a lower fee if the Director of Housing determines it will cover compliance monitoring costs. Authorize a standard annual stewardship fee by rule for properties that include restricted units for owner occupancy, as currently is in the MHA framework. Compliance and stewardship fee provisions are now succinct and uniform throughout the land use code.

- ⑤ Amend subsection 23.75.085.E (as renumbered) - Replace lengthy and complicated language governing use of subsidies for affordable housing provided as a condition of bonus floor area with a simple “no other restrictions” clause specific to units rather than the overall project. This means that any unit provided to satisfy MPC-YT development requirements may not, in some cases, be the same unit provided to satisfy unrelated affordability and income restrictions. Some exceptions to this rule apply for developers in the MPC-YT zone. In that zone, developers may “double dip” by using the same units to satisfy public benefits required for both Section 23.75.085 and as a condition of reduced land prices, Washington State Housing Finance Commission bonds and four percent tax credits, and property tax exemptions authorized by Chapter 5.73 (MFTE). This legislation leaves those exceptions in place, with an added qualifier limiting the duration of MFTE to 12 years, consistent with original intent and the terms of the Cooperative Agreement between the City and Seattle Housing Authority. This means that property owners can offer the same unit(s) to satisfy requirements for both their MPC-YT development allowances and their property tax exemptions for up to 12 years.
- ⑦ Amend subsection 23.75.085.F (as renumbered) – Clarify provisions about when affordable housing units count for purposes of allowing development in tiers according to Table A for 23.75.085.
- ⑤ Amend subsection 23.75.085.I – Technical edits to existing requirement about housing review fees according to Section 22.900G.015. The applicability and amount of the fee is unchanged.

SMC Chapter 23.76 Procedures for Master Use Permits and Council land use decisions

Section 23.76.032 Expiration and renewal of Type I and Type II Master Use Permits

- ⑦ Amend subsection 23.76.032.A.1.f – Delete reference to Section 23.49.181, which is repealed by this legislation.

SMC Chapter 23.86 Measurements

Section 23.86.007 Floor area and floor area ratio (FAR) measurement

- ⑦ Amend subsection 23.86.007.B – Amend the definition of “net unit area” to clarify this is a square footage measurement. This eliminates the need to work in the words “square feet” whenever the term “net unit area” is used in the LUC. The LUC defines net unit area to ensure that the size of individual units is measured in a consistent manner. This is especially important for restricted units, where AMI limits oftentimes vary depending on net unit area.

Recommendation

Adoption of these amendments will make land use code provisions related to low-income housing and affordable units easier to understand, administer, and apply. Adoption of these amendments will also help facilitate development of publicly funded low-income housing. The Office of Housing and Seattle Department of Construction and Inspections recommend approval of the proposed legislation.

Land Use Code Omnibus

Amending low-income housing and affordable units Code provisions

06.14.2023

Seattle Office of Housing



City of Seattle

Today's presentation

- Introduction
- What this Omnibus does
- Questions



Omnibus introduction

- Updates low-income housing and affordable units land use code (LUC) provisions
 - Primarily technical LUC clean-up
 - A small number of amendments will facilitate development of publicly-funded low-income housing



Outcome 1: Updated defined terms

Current LUC	This Legislation
<ul style="list-style-type: none">• Over a dozen obsolete defined terms• Inconsistent application of LUC provisions to low-income housing and other units with affordability restrictions.	<ul style="list-style-type: none">• Four key defined terms used throughout the LUC• Projects: “Low-income housing”• Units: “Low-income unit;” “Moderate-income unit;” and “Restricted unit”



Outcomes 2: Expanded application of design review exemption and waivers/modifications

Current LUC	This Legislation
<ul style="list-style-type: none">• Permanent supportive housing is design review exempt; waiver/modification of certain development standards can be requested• Same applies to low-income housing with units \leq 60% AMI, but under temporary provisions that sunset in January 2024• Same does <u>not</u> apply to publicly funded development of homes with ongoing affordability for low-income buyers	<ul style="list-style-type: none">• Extends the design review exemption to all publicly-funded low-income housing developments• Authorizes waiver/modification requests for certain development standards, separate from design review, to all publicly-funded low-income housing developments• Estimated annual use of these provisions:<ul style="list-style-type: none">• 5 to 6 rental projects (~ 685 apartments)• 2 to 3 ownership projects (~ 40 to 60 homes)

Outcomes 3: Consolidated incentive zoning provisions

Current LUC	This Legislation
<ul style="list-style-type: none">• Incentive zoning provisions related to affordable housing:<ul style="list-style-type: none">• Lengthy and complicated;• Largely became obsolete with adoption of MHA	<ul style="list-style-type: none">• Repeals obsolete code sections• Consistent reference to the “Incentive provisions” LUC chapter (23.58A)



Outcome 4: Improved consistency, clarity, and readability

Current LUC	This Legislation
<ul style="list-style-type: none">• Complicated, unclear, and inconsistent LUC provisions re: low-income housing and affordable units	<ul style="list-style-type: none">• Comprehensive review of Title 23 to provide simplified, clearer, and consistent language• Defined terms improve LUC readability and consistency• Consistent standard requirements for units with housing affordability restrictions



Questions?

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Legislation Text

File #: CB 120581, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to Design Review for affordable housing; adopting temporary regulations to exempt housing projects that meet Mandatory Housing Affordability requirements using on-site performance units from Design Review, and allowing permit applicants for all housing subject to Full Design Review the option of complying with Design Review pursuant to Administrative Design review; amending Section 23.41.004 of the Seattle Municipal Code; and adopting a work plan.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 23.41.004 of the Seattle Municipal Code, last amended by Ordinance 126741, is amended as follows:

23.41.004 Applicability

A. Design review required

1. Subject to the exemptions in subsection 23.41.004.B, design review is required in the following areas or zones when development is proposed that exceeds a threshold in Table A or Table B for 23.41.004:

- a. Multifamily;
- b. Commercial;
- c. Seattle Mixed;
- d. Downtown; and
- e. Stadium Transition Area Overlay District as shown in Map A for 23.74.004, when the

width of the lot exceeds 120 feet on any street frontage.

2. Subject to the exemptions in subsection 23.41.004.B, design review is required in the

following areas or zones when commercial or institution development is proposed that exceeds a threshold in Table A or Table B for 23.41.004:

- a. Industrial Buffer; and
- b. Industrial Commercial.

3. The gross floor area of the following uses is not included in the total gross floor area of a development for purposes of determining if a threshold is exceeded:

- a. Religious facilities;
- b. Elementary and secondary schools;
- c. Uses associated with a Major Institution Master Plan (MIMP); or
- d. Development of a major institution use within a Major Institution Overlay (MIO)

district.

4. Any development proposal participating in the Living Building or 2030 Challenge High Performance Existing Building Pilot Program according to Sections 23.40.060 and 23.40.070, including a development proposal for an existing structure, regardless of size or site characteristics, is subject to full design review according to Section 23.41.014.

5. Any development proposal, regardless of size or site characteristics, is subject to the administrative design review process according to Section 23.41.016 if it receives public funding or an allocation of federal low-income housing tax credits, and is subject to a regulatory agreement, covenant, or other legal instrument recorded on the property title and enforceable by The City of Seattle, Washington State Housing Finance Commission, State of Washington, King County, U.S. Department of Housing and Urban Development, or other similar entity as approved by the Director of Housing, which restricts at least 40 percent of the units to occupancy by households earning no greater than 60 percent of median income, and controls the rents that may be charged, for a minimum period of 40 years.

6. Any development proposal that is located in a Master Planned Community zone and that

includes a request for departures, regardless of size or site characteristics, is subject to full design review according to Section 23.41.014. If a development proposal in a Master Planned Community zone does not include a request for departures, the applicable design review procedures are in Section 23.41.020. A development proposal in a Master Planned Community zone, which includes a request for departures and provides affordable housing per subsection

23.41.004.A.5, shall be subject to administrative design review according to Section 23.41.016.

7. Subject to the exemptions in subsection 23.41.004.B, design review is required for additions to existing structures when the size of the proposed addition or expansion exceeds a threshold in Table A or Table B for 23.41.004. Administrative design review, as described in Section 23.41.016, is required for certain other additions to existing structures according to rules promulgated by the Director.

* * *

C. Optional design review

1. Design review. Development proposals that are not subject to design review may elect to be reviewed pursuant to the full, administrative, or streamlined design review process if:

a. The development proposal is in any zone or area identified in subsection 23.41.004.A.1 or 23.41.004.A.2 or in the Stadium Transition Area Overlay District, except development that is within a Master Planned Community zone is not eligible for optional design review; and

b. The development proposal does not include the uses listed in subsection 23.41.004.A.3.

2. Administrative design review. According to the applicable process described in Section 23.41.016, administrative design review is optional for a development proposal that is not otherwise subject to this Chapter 23.41 and is on a site that contains an exceptional tree, as defined in Section 25.11.020, when the ability to depart from development standards may result in protection of the tree as provided in Sections 25.11.070 and 25.11.080.

D. Temporary provisions for affordable housing projects

1. Notwithstanding any contrary provision of this Title 23, a project subject to administrative design review according to subsection 23.41.004.A.5 or a project in a Master Planned Community zone that meets the requirements according to subsection 23.41.004.A.5 shall be exempt from design review if the applicant files a complete building permit application (~~((while this ordinance is in effect))~~) by January 14, 2024, except that the applicant may elect to have the project be subject to design review notwithstanding the preceding exemption.

2. Requests for departures. If a project is exempt from design review according to subsection 23.41.004.D.1, the Director may consider requests for departures from any development standard in this Title 23, except as otherwise limited in subsection 23.41.012.B (~~((the following development standards in this Title 23:~~

- ~~a. Requirements for bike rooms and the quantity of bike parking;~~
- ~~b. Requirements for the size of parking spaces;~~
- ~~c. Requirements for overhead weather protection;~~
- ~~d. Requirements for facade openings, articulation, and modulation and art on the facades of buildings but not including limitations on structure width;~~
- ~~e. Requirements for the size and design of common recreational areas, amenity areas, community rooms, and similar indoor amenities but not including any required outdoor open space;~~
- ~~f. Requirements related to residential uses, transparency, blank facades, and floor-to-floor height at street level, except as otherwise limited in subsection 23.41.012.B; and~~
- ~~g. Other similar standards as determined by the Director, not including those listed in subsection 23.41.012.B, that pertain to the interior of the building and do not affect the size of the building envelope)).~~

3. Departures decision. Requests for departures according to subsection 23.41.004.D.2 shall be

evaluated by the Director, in consultation with the Office of Housing, in light of the particular population designed to be served by the project, and may be granted by the Director as a Type I decision if the departure ((~~would not impact the overall height, bulk, and scale of the proposed building and~~)) would result in additional housing units ((~~meeting the standards of subsection 23.41.004.A.5~~)) being constructed.

E. Temporary provisions for developments with units provided on-site to comply with Chapter 23.58C through the performance option

1. A development proposal that includes at least one unit provided on-site through the performance option according to Section 23.58C.050.C shall be exempt from design review if the applicant files a valid and complete building permit application electing the exemption while this ordinance is in effect.

2. A development proposal that includes at least one unit provided on-site through the performance option according to Section 23.58C.050.C that is vested according to Section 23.76.026 prior to the effective date of this ordinance may elect to be processed as allowed by Section 23.41.004.E.

3. The design review exemption under subsection 23.41.004.E.1 shall be rescinded for a development proposal that changes from the performance option to the payment option at any time prior to issuance of a building permit.

4. Requests for departures. If a project is exempt from design review according to subsection 23.41.004.E.1, the Director may consider requests for departures from and development standard in this Title 23, except as otherwise limited in subsection 23.41.012.B.

5. Departures decision. Requests for departures according to subsection 23.41.004.D.2 shall be evaluated and may be granted by the Director as a Type I decision if the departure would result in additional housing units being constructed.

F. Temporary provisions for electing administrative design review

1. The provisions of this subsection 23.41.004.F apply notwithstanding any contrary provision of this Title 23.

2. The provisions of this subsection 23.41.004.F expire 12 months after the effective date of this ordinance.

3. While the provisions of this subsection 23.41.004.F apply:

a. An applicant may elect a project that includes residential use and subject to the full design review process according to Section 23.41.014 to be processed through the administrative design review process according to Section 23.41.016.

b. An applicant of a project that includes residential use and vested according to Section 23.76.026 prior to the effective date of this ordinance may elect a project to be processed through administrative design review as allowed by subsection 23.41.004.F.3.a.

4. An applicant that has made the election to pursue administrative design review as allowed by subsection 23.41.004.F.3 may further elect to return to the full design review process according to Section 23.41.014. If an applicant elects a project to return to full design review, all early design guidance and recommendation processes, to the extent not completed under administrative design review, shall be shifted back to full design review. The applicant election to return to full design review is subject to the Director's determination that a return to full design review would not preclude review from being completed in the time required by Section 23.76.005.

Section 2. The Council approves the following work plan for the development of permanent regulations to address the matters in this ordinance, as well as other design review-related matters as appropriate:

WORK PLAN:

Outreach on proposed permanent legislation	January 2, 2024 - February 12, 2024
Draft permanent legislation and conduct SEPA review on draft permanent legislation	February 12, 2024 - April 15, 2024
Mayor Transmits Legislation to Council	April 17, 2024
Council Deliberations and Public Hearing on Proposed Legislation	May 2024
Legislation Effective	By August 12, 2024

Section 3. This ordinance shall be automatically repealed without subsequent Council action 12 months after it becomes effective.

Section 4. The provisions of this ordinance are declared to be separate and severable. If any clause, sentence, paragraph, subdivision, section, subsection, or portion of this ordinance is held to be invalid, it shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

_____, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Seattle Department of Construction and Inspections	Mike Podowski	Christie Parker

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to design review for affordable housing; adopting temporary regulations to exempt housing projects that meet Mandatory Housing Affordability requirements using on-site performance units from design review, and allowing permit applicants for all housing subject to full design review the option of complying with design review pursuant to administrative design review; amending Section 23.41.004 of the Seattle Municipal Code; and adopting a work plan.

Summary and Background of the Legislation: This legislation will allow more efficient and/or flexible permit review of development to address housing needs, including housing for low-income people. The legislation continues the City’s efforts to assist in the production of housing by temporarily exempting certain projects from Design Review and allowing, at the applicant’s option, different review processes.

This legislation will:

1. Provide a design review exemption for development projects that elect to meet the City’s Mandatory Housing Affordability (MHA) requirement with on-site performance;
2. Provide an option for any housing development proposal to be reviewed under Administrative Design Review (ADR) rather than by the Design Review Board under Full Design Review (FDR);
3. Allow the SDCI Director to waive or modify certain development standards for the MHA performance projects;
4. Allow applicants who opt for the ADR process to return to FDR at their option; and
5. Be effective for an interim period of twelve months while the City studies permanent proposals to update the Design Review process.

SDCI is producing a report that summarizes permit turnaround times for Design Review projects. This report is being prepared to respond to City Council Statement of Legislative Intent (SLI) SDCI-004-A-001 dated November 16, 2021, related to Design Review. Analysis in this report shows that Administrative Design Review projects generally are reviewed more quickly than Full Design Review projects. The report finds that this may be due to factors such as the relatively less complex nature of projects required to go through Administrative Design Review, not having to wait for an open design review board meeting, and other factors that may not be related to Design Review.

One of the intents of this legislation is to test whether Administrative Design Review can be conducted more quickly than Full Design Review for housing projects and evaluate ways to help make Design Review more efficient for housing development. After studying the results of the process flexibility afforded by this legislation, SDCI intends to make recommendations to the Mayor and City Council for permanent legislation and identify the resources needed to carry out the recommendations, including business practice development, technology support and staffing.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No. Permit applications for development that include MHA performance housing would be exempt from Design Review and result in fewer applications that include a Design Review permit component. The ability for applicants to opt to undergo administrative review rather than Design Review Board review is anticipated to result in a range of 10 to 30 permit applications compared to current regulations. The shift of applications from board to administrative review would necessitate more staff review time to conduct the reviews compared to the time required when helping facilitate board review. To the extent more permit applicants opt for MHA performance than historically observed, MHA payment revenue would be reduced during the effective period for this legislation, commensurate with the affordable housing directly provided by the applicants. This is not anticipated to be a significant or ongoing reduction in revenue.

Given the number of projects involved, SDCI anticipates accommodating the additional administrative review with existing staff. Existing resources will be used to train staff, create public information materials, and business practice development. No significant technology changes are anticipated.

The following summarizes the number of permit applications anticipated by SDCI to utilize this temporary legislation:

MHA Exemption Proposal. Based on the number of performance projects, 10 to 15, with a recorded MHA housing agreement and issued building permits since 2020, there could be an estimated 10-15 MHA performance projects that may be eligible for this exemption during the 12-month effective period of this legislation. Since this change is designed to provide an additional incentive, the number of performance projects could be on the higher end of that range, anywhere from 15 to 30, if the number of projects doubled with passage of this legislation.

ADR Option Proposal. The number of ADR and FDR projects with issued Master Use Permits (MUPs) with housing for the full year periods since the July 2018 Design Review code major update are as follows:

Design Review Projects with housing (Issued MUPs)			
Year	FDR	ADR	Total
2019	75	17	92
2020	70	45	115
2021	37	50	87
2022	32	53	85
Average over 4 years	53	41	95

During the COVID pandemic while the City was under a Mayoral emergency declaration, the City allowed development projects subject to FDR to elect ADR from April 2020 until August of 2022 if they were ready to be scheduled for a Design Review Board meeting (interim Ordinances 126072 and 126188). During this period, permit applicants for 68 out of 198 FDR projects (34%) elected to go through ADR (this includes both residential and commercial projects). Applying that same percentage to the 4-year average for FDR projects with housing from the table above, 18 housing projects might make the same election during the 12-month effective period of the proposed legislation. If the election is as high as 50 percent of FDR housing projects, the number would be 27 housing projects. Some applicants will still prefer to go through FDR to get instant feedback from the Design Review Board.

Are there financial costs or other impacts of *not* implementing the legislation?

Yes. Not implementing the legislation could result in delay in the permitting process for development projects, which could slow housing production. In addition, this legislation is an opportunity for the City to address inequity in access to housing by BIPOC persons and others seeking more affordable housing.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

The Office of Housing (OH) has a role in reviewing permit applicants that are subject to MHA and specifically the applications for MHA performance that would be eligible for exemption from Design Review due to this legislation. OH has been consulted in the development of this legislation and they do not anticipate fiscal impacts.

b. Is a public hearing required for this legislation?

Yes.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes. Notices will be published in *The Daily Journal of Commerce* and in the City's Land Use Information Bulletin. The SEPA Draft legislation, the City's Determination, pursuant to environmental review under the State Environmental Policy Act (SEPA), was published on February 27, 2023.

d. Does this legislation affect a piece of property?

Yes. The legislation affects properties in zones throughout the City where Design Review is required.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

This legislation is intended to help increase and speed up the production of housing, including those for low-income households, many of which are comprised of BIPOC individuals. The legislation is intended to speed access to housing, including for vulnerable and historically disadvantaged communities that are most impacted by the high cost and insufficient supply of housing in Seattle.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

This legislation will likely result in a reduction of greenhouse gas emissions by reducing the need for low-income and other households to seek housing outside of the City, which results in greater energy consumption and emissions related to longer commute distances.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

This legislation increases Seattle's resiliency and its ability to adapt to climate change by increasing housing supply, including low-income housing, in the City.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

Not applicable.

Director's Report and Recommendation Affordable Housing Design Review Amendments – MHA performance and ADR choice April 26, 2023

Proposal Summary

The City last enacted major reform of the Design Review program in 2018 with legislation (Ordinance 125429) that instituted organizational, structural, and procedural changes to the City's Design Review program. The changes were intended to improve the overall function of the program by enhancing the efficiency and predictability of project reviews, improving dialogue amongst project stakeholders, and making the program more transparent and accessible to the public and project applicants.

Since then, the Seattle City Council adopted, and the Mayor signed, interim Ordinances 126072, 126188, and 120464 that included provisions to assist in the production of certain low-income housing projects by providing an exemption from Design Review and allowing waiver or modification of certain development standards. In light of the continuing homelessness and affordable housing crisis, the need for provisions to address housing solutions remains.

Since the 2018 reforms and subsequent legislation, the population of people experiencing homelessness and challenged by the supply and cost of housing has increased, so have shelters, encampments and tents. The supply of housing has not kept pace with the City's growing demand and cost pressures.

This legislation would:

1. Provide a design review exemption for development projects that elect to meet the City's Mandatory Housing Affordability (MHA) requirement with on-site performance;
2. Provide an option for any housing development proposal to be reviewed under Administrative Design Review (ADR) rather than by the Design Review Board under Full Design Review (FDR);
3. Allow the SDCI Director to waive or modify certain development standards for the MHA performance projects;
4. Allow applicant who opt for the ADR process to return to FDR also at their option; and
5. Be effective for an interim period of twelve months while the City studies permanent proposals to update the Design Review process.

Adopting this legislation will allow more efficient and/or flexible permit review of development to address urgent housing needs, including for low-income people, while the City's study is underway. The legislation continues the trend of efforts to assist in the production of housing by exempting certain projects from Design Review and allowing, at the applicant's option, different review processes.

The legislation should accelerate the permitting of housing projects throughout the City, thereby reducing costs and decreasing the time needed for new housing to be available for occupancy.

Background and Analysis

MHA

Mandatory Housing Affordability (MHA) ensures that new commercial and multifamily residential development contributes to affordable housing. This is done by requiring new developments to include affordable housing (performance option) or contribute to the Seattle Office of Housing fund to support the development of affordable housing (payment option). When developers and owners apply for permits for new buildings, the Seattle Department of Construction and Inspection reviews each proposal to determine what MHA requirements the new development is subject to. Once these requirements are confirmed, the Office of Housing will review projects to coordinate with developers to comply with the MHA Program via the payment or performance option.

The MHA requirements are in the land use code:

- Chapter 23.58B—Affordable Housing Impact Mitigation Program for Commercial Development (MHA-C)
- Chapter 23.58C—MHA for Residential Development (MHA-R; this chapter also applies to development that includes live-work units).

Permit applicants can choose to comply with the MHA requirements through the payment option or the performance option.

- The payment option allows you to make a payment to the City as part of the permitting process which will be used for future affordable housing development.
- The performance option allows you to incorporate affordable units into the proposed development. When you choose the performance option, you must follow the design and locational standards in the code and document compliance in the plans and housing agreement. Affordable units provided through the performance option must comply with the standards of land use code Sections 23.58B.050 and 23.58C.050.

Design Review

In 2021 the City Council adopted a Statement of Legislative Intent (SLI 004-A-001) that Directs SDCI to examine the Design Review process from a racial equity lense to make recommendations for improvements to the process. This work and subsequent assessment is on-going and is anticipated to provide information that can be used to inform any permanent legislative updates to be prepared by SDCI, including to help inform recommendations for racial equity improvements to the SDCI design review process. That assessment and likely recommendations are anticipated to occur after adoption of the proposed legislation addressed in this report.

Currently, Full Design Review is required for mid- and large-sized commercial and residential development projects such as:

- An office building or apartment building
- Commercial or multifamily development; not a single-family home
- Large projects that meet the size thresholds in certain zone

For Full Design Review projects, SDCI holds public meetings where the Design Review Boards review projects during the early design guidance and recommendation phases. The review process includes an opportunity for public comment and involvement before SDCI approves the design. Permit applicants may request "departures" from the Land Use Code as part of Design Review.

Three paths for design review currently in the City of Seattle:

- Streamlined Design Review (SDR): Type I Decision (not appealable to the Seattle Hearing Examiner) reviewed by SDCI staff. Includes Early Design Guidance (EDG) only and then straight to Construction permit. Includes public comment but not a design review public meeting. (*SDR is not affected by the proposed legislation*).
- Administrative Design Review (ADR): Type II Decision (appealable to the Seattle Hearing Examiner) reviewed by SDCI staff. Includes Early Design Guidance, Master Use Permit (MUP) / Recommendation, Construction permit. Reviews completed by city staff. Includes public comment but not a design review public meeting.
- Full Design Review (FDR): Type II Decision (appealable to the Seattle Hearing Examiner) reviewed by Design Review Boards. Includes Early Design Guidance, Master Use Permit / Recommendation, Construction permit. Reviews completed by city staff using recommendations from the Design Review Board. Includes public comment and public meeting(s)

Design Review – Process Time

SDCI recently produced a report that summarizes permit turnaround times for Design Review projects. This report is dated January 2023 and prepared to respond to a City Council Statement of Legislative Intent (SLI) dated November 16, 2021, related to Design Review.

Overall, the data showed that for projects (includes commercial and multi-family development) going through ADR or FDR from July 2018 to December 2022, ADR had shorter review times compared to FDR times. Measuring overall calendar time of all steps from EDG through MUP issuance (ADR and FDR) showed:

- FDR: 739 days (24.3 months)
- ADR: 641 days (21.1 months)

In addition to the Design Review Board public meetings which may add time to FDR projects, there are other possible reasons for this difference in time:

- ADR projects are smaller in size and usually less complex
- FDR projects are larger in size and tend to be more complex with additional coordination between different departments and agencies and more complex code requirements

The report shows that Administrative Design Review projects generally are reviewed more quickly than Full Design Review projects. The report finds that this may be due to factors such

as the relatively less complex nature of projects required to go through Administrative Design Review, not having to wait for an open design review board meeting, and other factors that may not be related to Design Review. One of the intents of this legislation is to test the ability of Administrative Design Review to be conducted more quickly for consideration as part of evaluations of ways to help make Design Review more efficient for housing development.

Number of Projects

The legislation would apply to development projects that include housing and would exempt those that include MHA performance with at least one qualifying housing unit and allow any housing project required to go through Full Design Review to opt into Administrative Design Review.

MHA Exemption Proposal. Based on the number of performance projects with a recorded MHA housing agreement and issued building permit since 2020, provided by the Seattle Office of Housing, the first full year of city-wide MHA implementation, there could be an estimated 10-15 MHA performance projects during the 12-month effective period of this legislation that may be eligible for this exemption. Since this change is designed to provide an additional incentive for performance, the number of performance projects could be on the higher end of that range of 15 projects or up to 30 projects if the number of projects doubled with passage of this legislation.

ADR Option Proposal. The number of ADR and FDR projects with issued Master Use Permits (MUPs) with housing for the period full year periods since the July 2018 Design Review code major update are as follows:

Design Review Projects with housing (Issued MUPs)			
Year	FDR	ADR	Total
2019	75	17	92
2020	70	45	115
2021	37	50	87
2022	32	53	85
Average over 4 years	53	41	95

During the COVID pandemic while the City was under a Mayoral emergency declaration, the City allowed development projects subject to FDR to elect ADR (interim Ordinances 126072 and 126188) from April 2020 until August of 2022 if they were ready to be scheduled for a Design Review Board meeting. During this period, permit applicants for 68 out of 198 FDR projects elected to go through ADR (this includes both residential and commercial projects). Assuming that same percentage applied to the 4-year average for FDR projects with housing from the table above, applicants for approximately 34 percent of the total FDR housing projects, 18 housing projects, might make the same election during the 12-month effective period of the proposed legislation. If the election is as high as 50 percent of FDR housing projects, the number would be 27 housing projects. Some applicants will still prefer to go through FDR to get instant feedback from the Design Review Board.

Comprehensive Plan Goals and Policies

The proposal is consistent with relevant goals and policies in the *Seattle 2035* Comprehensive Plan including:

- Goal H G2 - Help meet current and projected regional housing needs of all economic and demographic groups by increasing Seattle's housing supply.
- Goal H G5 - Make it possible for households of all income levels to live affordably in Seattle, and reduce over time the unmet housing needs of lower-income households in Seattle.

Recommendation

The Director of SDCI recommends that the City Council adopt the proposed legislation to help facilitate the development of badly needed housing.

A panoramic view of the Seattle skyline under a clear blue sky. The Space Needle is prominent on the left. In the background, Mount Rainier is visible. The foreground shows some green trees and a building.

Affordable Housing Design Review Amendments – MHA performance and ADR choice

Photo by John Skelton



Seattle Department of
Construction & Inspections

Land Use Committee
June 14, 2023

Affordable Housing Design Review Amendments

- Intent: accelerate permitting of housing projects throughout the City, reducing costs and decreasing the time for new housing to be available.
- The legislation would be in place for 12 months. Results will be studied to inform recommendations for long-term updates.
- Adopting this legislation would allow more efficient and/or flexible permit review to address urgent housing needs, including for low-income people, while the additional study is underway*

*In 2021, City Council adopted Statement of Legislative Intent (SLI 004-A-001) directing SDCI to examine Design Review from a racial equity lens to make recommendations for improvements.

Summary of Amendments

1. Provide a Design Review exemption for development projects that elect to meet the City's Mandatory Housing Affordability (MHA) requirement with on-site performance.
2. Provide an option for any housing development proposal to be reviewed under Administrative Design Review (ADR) rather than by the Design Review Board under Full Design Review (FDR).
3. Allow the SDCI Director to waive or modify certain development standards for the MHA performance projects.
4. Allow applicants who opt for the ADR process to return to FDR also at their option.

MHA Requirements

- MHA ensures that new commercial and multifamily residential development contributes to affordable housing.
- This is done by requiring new developments to:
 - Include affordable housing (performance option); or
 - Contribute to the Office of Housing fund to support the development of affordable housing (payment option).

MHA Performance Exemption – Number of Projects Helped

- 10-15 MHA performance projects – estimated to be eligible during the 12-month effective period of this legislation
- Up to 30 projects - if the number of projects doubled with passage of this legislation

Design Review Background

Design Review:

- Required for mid- and large-sized commercial and multi-family buildings.
- Permanently supported housing is exempt.

Two types of DR:

- Administrative Design Review (ADR): Reviews completed by SDCI staff. Includes public comment but not a design review public meeting.
- Full Design Review (FDR): Reviews completed by SDCI staff using recommendations from the Design Review Board. Includes public comment and public meeting(s).
- Both types of DR are Type II Decisions (appealable to the Seattle Hearing Examiner).

Administrative Design Review Option

- Administrative Design Review projects generally are reviewed more quickly than Full Design Review projects.
- This may be due to factors such as not having to wait for an open design review board meeting.
- Opportunity to test whether ADR can be conducted more quickly than FDR for housing projects and evaluate ways to make Design Review more efficient.

Administrative Design Review Option Benefits

- ADR has shorter review times compared to FDR.
- Measuring overall calendar time of all steps from EDG through MUP issuance (ADR and FDR) showed:
 - FDR: 739 days (24.3 months)
 - ADR: 641 days (21.1 months)

Data analyzed by SDCI includes commercial and multi-family development from July 2018 to December 2022.

Effects of Administrative Design Review Option

- Estimates for the number of applicants that may elect ADR during the 12-month effective period of the proposed legislation:
 - 18 housing projects – if 34% of applicants elect ADR
 - 27 housing projects – if 50% of applicants elect ADR
- Some applicants will still prefer to go through FDR to get instant feedback from the Design Review Board.

During the COVID pandemic, under Mayoral emergency declaration, the City allowed development projects subject to FDR to elect ADR (interim Ordinances 126072 and 126188) and approximately 34% of applicants elected ADR.

QUESTIONS?

Mike Podowski
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www.seattle.gov/sdci





Legislation Text

File #: CB 120520, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to land use regulation of home occupations; amending Sections 23.42.050, 23.55.020, 23.55.022, 23.55.028, 23.55.030, and 23.55.036 of the Seattle Municipal Code to establish permanent provisions for home occupation businesses.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 23.42.050 of the Seattle Municipal Code, last amended by Ordinance 126131, is amended as follows:

23.42.050 Home occupations

A home occupation of a person residing in a dwelling unit is permitted outright in all zones as an accessory use to any residential use permitted outright or to a permitted residential conditional use, subject to the following requirements:

A. The occupation is clearly incidental to the use of the dwelling unit as a dwelling.

~~((B. Commercial deliveries and pickups to the dwelling unit are limited to one per day Monday through Friday. No commercial deliveries or pickups are permitted on Saturday, Sunday or federal holidays.~~

~~C. Customer visits are by appointment only.~~

D)) B. The occupation may be conducted within any legal principal or accessory dwelling unit or structure, and in outdoor locations on the lot.

1. Home occupation businesses may be conducted by residents of a principal dwelling unit and/or an accessory dwelling unit.

2. The presence of one home occupation does not preclude a resident of another legally

established dwelling unit on the property from also conducting a home occupation.

3. Outdoor play areas for child care programs, and outdoor activities customarily incidental to the residential use, are permitted.

~~((E))~~ C. Parking of vehicles associated with the home occupation is permitted anywhere that parking is permitted on the lot, including required parking spaces.

~~((F. To preserve the residential appearance of the dwelling unit, there shall be no evidence of the home occupation visible from the exterior of the structure, provided that:))~~

D. Visual evidence of home occupations

~~((1. Outdoor play areas for child care programs and outdoor activities customarily incidental to the residential use are permitted;~~

~~2))~~ 1. Interior and exterior alterations and additions that comply with the development standards of the zone are permitted;

~~((3))~~ 2. Alterations and additions that are required by licensing or construction codes for child care programs are permitted; and

~~((4))~~ 3. Signs identifying the home occupation are permitted subject to compliance with Chapter 23.55, Signs.

~~((G))~~ E. No outdoor storage is permitted in connection with a home occupation.

~~((H. Except for child care programs, no more than two persons who are not residents of a dwelling unit on the lot may work in a home occupation, regardless of whether the persons work full or part time or are compensated.~~

~~F))~~ F. ~~((The))~~ An automotive retail sales and services home occupation shall not cause a substantial increase in on-street parking congestion or a substantial increase in traffic within the immediate vicinity.

~~((J))~~ G. A maximum of ~~((two))~~ three passenger vehicles, vans, and similar vehicles, associated with the home occupation, each not exceeding a gross vehicle weight of 10,000 pounds are permitted to ~~((operate in~~

~~connection with))~~ be at the home occupation site, independent of commercial deliveries and pickups. ((as provided for in subsection 23.42.050.B.)) For lots developed with a single-family dwelling in NR zones, this limit is in addition to the outdoor parking limit in subsection 23.44.016.C.3.

~~((K))~~ H. The home occupation shall be conducted so that noise, odor, smoke, dust, light and glare, and electrical interference and other similar ~~((impacts are not detectable by sensory perception))~~ types of spillover effects do not create negative impacts at or beyond the property line of the lot where the home occupation is located.

I. No portion of a home occupation shall be a drive-in business.

Section 2. Section 23.55.020 of the Seattle Municipal Code, last amended by Ordinance 126509, is amended as follows:

23.55.020 Signs in neighborhood residential zones

* * *

D. The following signs are permitted in all neighborhood residential zones:

1. Electric, externally illuminated or nonilluminated signs bearing the name of the occupant of a dwelling unit, not exceeding 64 square inches in area;
2. Memorial signs or ~~((tables))~~ tablets, and the name of buildings and dates of building erection if cut into a masonry surface or constructed of bronze or other noncombustible materials;
3. Signs for public facilities indicating danger and/or providing service or safety information;
4. National, state, and institutional flags;
5. For any nonresidential use allowed in the zone except for elementary or secondary schools, one electric or nonilluminated double-faced identifying wall or ground sign not to exceed 15 square feet of area per sign face on each street frontage;
6. On-premises directional signs not exceeding 8 square feet in area. One such sign is permitted for each entrance or exit to a surface parking area or parking garage;

7. For elementary or secondary schools, one electric or nonilluminated double-faced identifying sign, not to exceed 30 square feet of area per sign face on each street frontage, provided that the signs shall be located and landscaped so that light and glare impacts on surrounding properties are reduced, and so that any illumination is controlled by a timer set to turn off by 10 p.m.

8. One nonilluminated sign bearing the name of a home occupation not exceeding ~~((64 square inches))~~ 5 square feet in area.

* * *

Section 3. Section 23.55.022, of the Seattle Municipal Code, last amended by Ordinance 123046, is amended as follows:

23.55.022 Signs in multifamily zones

* * *

D. The following signs are permitted in all multifamily zones:

1. Electric, externally illuminated or nonilluminated signs bearing the name of the occupant of a dwelling unit, not exceeding 64 square inches in area;

2. Memorial signs or tablets, and the names of buildings and dates of building erection if cut into a masonry surface or constructed of bronze or other noncombustible materials;

3. Signs for public facilities indicating danger and/or providing service or safety information;

4. National, state, and institutional flags;

5. One electric, externally illuminated or nonilluminated sign bearing the name of a home occupation not exceeding ~~((64 square inches))~~ 5 square feet in area;

6. One nonilluminated wall or ground identification sign for multifamily structures on each street or alley frontage in addition to signs permitted by subsection 23.55.022.D.2. For structures of 16 units or less, the maximum area of each sign face is 16 square feet. One square foot of sign area is permitted for each additional unit over 16, to a maximum area of 50 square feet per sign face;

7. For institutions other than elementary and secondary schools, one electric or nonilluminated double-faced identifying wall or ground sign on each street frontage, not to exceed 24 square feet of area per sign face;

8. One electric, externally illuminated or nonilluminated sign bearing the name of a bed and breakfast, not exceeding 64 square inches in area;

9. For elementary or secondary schools, one electric or nonilluminated double-faced identifying sign, not to exceed 30 square feet of area per sign face on each street frontage, provided that the signs shall be located and landscaped so that light and glare impacts on surrounding properties are reduced, and that any illumination is controlled by a timer set to turn off by 10 p.m.

* * *

Section 4. Section 23.55.028 of the Seattle Municipal Code, last amended by Ordinance 123649, is amended as follows:

23.55.028 Signs in NC1 and NC2 zones

* * *

D. On-premises (~~(Signs.)~~) signs

1. The following signs are permitted in addition to the signs permitted by subsections 23.55.028.D.2, 23.55.028.D.3, and 23.55.028.D.4:

a. Electric, externally illuminated or nonilluminated signs bearing the name of the occupant of a dwelling unit, not exceeding 64 square inches in area;

b. Memorial signs or tablets, and the names of buildings and dates of building erection if cut into a masonry surface or constructed of bronze or other noncombustible materials;

c. Signs for public facilities indicating danger and/or providing service or safety information;

d. National, state, and institutional flags;

e. One under-marquee sign that does not exceed 10 square feet in area;

f. One electric, externally illuminated or non-illuminated sign bearing the name of a home occupation, not exceeding ~~((64 square inches))~~ 5 square feet in area.

2. Number and ~~((Type of Signs Allowed for Business Establishments.))~~ type of signs allowed for business establishments

a. Each business establishment may have one ground, roof, projecting, or combination sign (Type A sign) for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.

b. In addition to the signs permitted by subsection 23.55.028.D.2.a, each business establishment may have one wall, awning, canopy, marquee, or under-marquee sign (Type B sign) for each 30 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.

c. In addition to the signs permitted by subsections 23.55.028.D.2.a and D.2.b, each multiple business center and drive-in business may have one pole sign for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys. Such pole signs may be for a drive-in business or for an individual business establishment located in a multiple business center, or may identify a multiple business center.

d. Individual businesses that are not drive-in businesses and that are not located in a multiple business center may have one pole sign in lieu of a Type A sign permitted by ~~((Section))~~ subsection 23.55.028.D.2.a for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.

3. Maximum ~~((Area of Signs for Nonresidential Uses and Live-work Units))~~ area of signs for nonresidential uses and live-work units. The maximum area of all signs for each business establishment permitted in subsection 23.55.028.D.2 is 185 square feet, and the maximum area of any one Type A sign is 72 square feet, provided that the maximum area of pole signs for gas stations that identify the price of motor fuel being offered by numerals of equal size is 96 square feet.

4. Identification (~~(Signs for Multifamily Structures.)~~) signs for multifamily structures

- a. One identification sign bearing the name of a multifamily structure is permitted on each street or alley frontage of a residential use in addition to the signs permitted by subsection 23.55.028.D.1.
- b. Identification signs may be wall, ground, awning, canopy, marquee, under-marquee, or projecting signs.
- c. For structures of 24 units or less, the maximum area of each sign face is 24 square feet. One square foot of sign area is permitted for each additional unit over 24, to a maximum of 50 square feet per sign face.

5. Sign (~~(Height.)~~) height

- a. The maximum height for any portion of a pole, projecting, or combination sign is 25 feet.
- b. The maximum height for any portion of a wall or under-marquee sign is 20 feet or the height of the cornice of the structure to which the sign is attached, whichever is greater.
- c. Marquee signs may not exceed a height of 30 inches above the top of the marquee, and total vertical dimension shall not exceed 5 feet.
- d. No portion of a roof sign shall exceed a height of 25 feet above grade.

* * *

Section 5. Section 23.55.030 of the Seattle Municipal Code, last amended by Ordinance 124457, is amended as follows:

23.55.030 Signs in NC3, C1, C2, and SM zones

* * *

E. (~~(On-Premises Signs.)~~) On-premises signs

- 1. The following signs are permitted in addition to the signs permitted by subsections 23.55.030.E.2 and 23.55.030.E.3:

- a. Electric, externally illuminated or non-illuminated signs bearing the name of the occupant of a dwelling unit, not exceeding 64 square inches in area;
- b. Memorial signs or tablets, and the names of buildings and dates of building erection if cut into a masonry surface or constructed of bronze or other noncombustible materials;
- c. Signs for public facilities indicating danger and/or providing service or safety information;
- d. National, state, and institutional flags;
- e. One under-marquee sign that does not exceed 10 square feet in area;
- f. One electric, externally illuminated or non-illuminated sign bearing the name of a home occupation, not to exceed ((64 square inches)) 5 square feet in area.

2. Number and ((Type of Signs Allowed for Business Establishments.)) type of signs allowed for business establishments

- a. Each business establishment may have one ground, roof, projecting, or combination sign (Type A sign) for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.
- b. In addition to the signs permitted by subsection 23.55.030.E.2.a, each business establishment may have one wall, awning, canopy, marquee, or under-marquee sign (Type B sign) for each 30 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.
- c. In addition to the signs permitted by subsections 23.55.030.E.2.a and 23.55.030.E.2.b, each multiple business center and drive-in business may have one pole sign for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys. Such pole signs may be for a drive-in business or for an individual business establishment located in a multiple business center, or may identify a multiple business center.
- d. Individual businesses that are not drive-in businesses and that are not located in

multiple business centers may have one pole sign in lieu of a Type A sign permitted by subsection 23.55.030.E.2.a for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.

e. If the principal use or activity on the lot is outdoor retail sales, banners and strings of pennants maintained in good condition are permitted in addition to the signs permitted by subsections 23.55.030.E.2.a, 23.55.030.E.2.b, and 23.55.030.E.2.c.

3. Maximum (~~(Area.)~~) area

a. NC3 and SM zones (~~(-)~~)

1) The maximum area of each face of a pole, ground, roof, projecting, or combination sign is 72 square feet plus 2 square feet for each foot of frontage over 36 feet on public rights-of-way, except alleys, to a maximum area of 300 square feet, provided that:

i. The maximum area for signs for multiple business centers, and signs for business establishments located within 100 feet of a state route right-of-way that is not designated in Section 23.55.042 as a landscaped or scenic view section, is 600 square feet; and

ii. The maximum area for pole signs for gas stations that identify the price of motor fuel being offered by numerals of equal size is 96 square feet.

2) There is no maximum area limit for awning, canopy, marquee, or under-marquee signs.

3) The maximum area for each wall sign is 672 square feet.

b. C1 and C2 Zones. There is no maximum area limit for on-premises signs for business establishments in C1 and C2 zones except the maximum area for each wall sign is 672 square feet.

4. Identification (~~(Signs for Multifamily Structures.)~~) signs for multifamily structures

a. One identification sign is permitted on each street or alley frontage of a multifamily structure.

b. Identification signs may be wall, ground, awning, canopy, marquee, under-marquee, or

projecting signs.

c. The maximum area of each sign is 72 square feet.

5. Sign (~~(Height.)~~) height

a. The maximum height for any portion of a projecting or combination sign is 65 feet above existing grade, or the maximum height limit of the zone, whichever is less.

b. The maximum height limit for any portion of a pole sign is 30 feet; except for pole signs for multiple business centers and for business establishments located within 100 feet of a state route right-of-way that is not designated in Section 23.55.042 as a landscaped or scenic view section, for which a maximum height of 40 feet is permitted.

c. The maximum height for any portion of a wall, marquee, under-marquee, or canopy sign is 20 feet or the height of the cornice of the structure to which the sign is attached, whichever is greater.

d. No portion of a roof sign shall:

1) Extend beyond the height limit of the zone;

2) Exceed a height above the roof in excess of the height of the structure on

which the sign is located; or

3) Exceed a height of 30 feet above the roof, measured from a point on the roof

line directly below the sign or from the nearest adjacent parapet.

* * *

Section 6. Section 23.55.036 of the Seattle Municipal Code, last amended by Ordinance 124457, is amended as follows:

23.55.036 Signs in IB, IC, IG1 and IG2 zones

* * *

D. On-premises (~~(Signs.)~~) signs

1. The following signs are permitted in addition to the signs permitted by subsections

23.55.036.D.2, 23.55.036.D.3, and 23.55.036.D.4:

- a. Electric, externally illuminated, or non-illuminated signs bearing the name of the occupant of a dwelling unit, not exceeding 64 square inches in area;
- b. Memorial signs or tablets, and the names of buildings and dates of building erection if cut into a masonry surface or constructed of bronze or other noncombustible materials;
- c. Signs for public facilities indicating danger and/or providing service or safety information;
- d. National, state, and institutional flags;
- e. One under-marquee sign not exceeding 10 square feet in area;
- f. One electric, externally illuminated, or non-illuminated sign bearing the name of a home occupation, not exceeding ~~((64 square inches))~~ 5 square feet in area.

2. Number and ~~((Type of Signs Allowed for Business Establishments.))~~ type of signs allowed for business establishments

- a. Except as further restricted in subsection 23.55.036.D.5, each business establishment may have one ground, roof, projecting, or combination sign (Type A sign) for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.
- b. In addition to the signs allowed by subsection 23.55.036.D.2.a, each business establishment may have one wall, awning, canopy, marquee, or under-marquee sign (Type B sign) for each 30 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.
- c. Multiple business centers may have one pole, ground, wall, marquee, under-marquee, projecting, or combination sign for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.
- d. Individual businesses that are not drive-in businesses and that are not located in multiple business centers may have one pole sign in lieu of a Type A sign permitted by subsection

23.55.036.D.2.a for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.

e. In addition to the signs allowed by subsections 23.55.036.d.2.a and 23.55.036.D.2.b, drive-in business establishments may have one pole sign for each 300 lineal feet, or portion thereof, of frontage on public rights-of-way, except alleys.

f. Where the principal use or activity on the lot is outdoor retail sales, banners and strings of pennants maintained in good condition shall be permitted in addition to the signs permitted by subsections 23.55.036.D.2.a and 23.55.036.D.2.b.

3. Maximum (~~(Area)~~) area. There is no maximum area limit for on-premises signs for business establishments, except as follows:

a. As set forth in subsection 23.55.036.D.5; and

b. The maximum area for each wall sign is 672 square feet except that the maximum area for each wall sign for spectator sports facilities with a seating capacity of 40,000 or greater shall be 3,000 square feet.

4. Identification (~~(Signs for Multifamily Structures.)~~) signs for multifamily structures

a. One (~~((1))~~) identification sign shall be permitted on each street or alley frontage of a multifamily structure.

b. Identification signs may be wall, ground, awning, canopy, marquee, under-marquee, or projecting signs.

c. The maximum area of each sign shall be (~~(seventy-two (72))~~) 72 square feet.

5. Sign (~~(Height.)~~) height

a. The maximum height for any portion of a projecting or combination sign shall be (~~(sixty-five (65))~~) 65 feet above existing grade, or the maximum height limit of the zone, whichever is less.

b. The maximum height limit for any portion of a pole sign shall be (~~(thirty (30))~~) 30 feet; except for pole signs for multiple business centers and for business establishments located within (~~(one~~

~~hundred (100))~~ 100 feet of a state route right-of-way which is not designated in Section 23.55.042 as a landscaped or scenic view section, which shall have a maximum height of (~~(forty (40))~~) 40 feet.

c. The maximum height for any portion of a wall, marquee, under-marquee, or canopy sign shall be (~~(twenty (20))~~) 20 feet or the height of the cornice of the structure to which the sign is attached, whichever is greater.

d. No portion of a roof sign shall:

(1) Extend beyond the height limit of the zone for office uses, except that spectator sports facilities with a seating capacity of (~~(forty thousand (40,000))~~) 40,000 or greater and more than one (~~(1))~~ roof level may have up to two (~~(2))~~ identification signs, with the vertical dimension of lettering or characters limited to (~~(twelve (12))~~) 12 feet and a maximum total area for both signs limited to (~~(three thousand (3,000))~~) 3,000 square feet; provided, the sign height does not exceed the highest roof level. One (~~(1))~~ additional identification sign may be applied to each surface of the highest roof level, provided it does not exceed the height of that roof level.

(2) Exceed a height above the roof in excess of the height of the structure on which the sign is located; or

(3) Exceed a height of (~~(thirty (30))~~) 30 feet above the roof measured from a point on the roof line directly below the sign or from the nearest adjacent parapet.

* * *

Section 7. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this ____ day of _____, 2023.

Elizabeth M. Adkisson, Interim City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
LEG	Ketil Freeman / 48178	NA

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to land use regulation of home occupations; amending Sections 23.42.050, 23.55.020, 23.55.022, 23.55.028, 23.55.030, and 23.55.036 of the Seattle Municipal Code to establish permanent provisions for home occupation businesses.

Summary and Background of the Legislation: The proposed legislation would make permanent some of the interim development controls for home occupations temporarily codified during the COVID pandemic through Ordinance 126293.

Proposed amendments to Section 23.42.050, which governs home occupations, would:

1. Eliminate the requirement that customer visits are by appointment only;
2. Eliminate restrictions on the visibility of the home occupation from the exterior of a structure and allow interior and exterior alterations of structures that would accommodate home occupations so long as development standards are met;
3. Allow home occupations to be conducted in outdoor areas, while retaining provisions (with clarifications) that would continue to prohibit negative spillover impacts such as noise, odor, dust, light and glare;
4. Eliminate a limit of two employees who are not residents;
5. Allow for increases in on-street parking congestion or traffic in the vicinity related to home occupation uses, except for automotive retail sales and services uses;
6. Clarify that a home occupation-related vehicle may park anywhere that parking is permitted on the lot, including required parking spaces;
7. Prohibit a home occupation from being a drive-in business;
8. Increase the number of allowable vehicles for home-occupation use at the site from 2 to 3;
9. Clarify that the limit of number of vehicles refers to the number of vehicles at the home occupation site and not to other vehicles that are not at the site;
10. Eliminate a limit on the number of daily deliveries allowed to a site. The current limit is one per weekday and zero on weekends and holidays.

Proposed amendments to sign regulations in Chapter 23.55 would:

11. Allow one sign up to 5 square feet (720 square inches) bearing the name of the home occupation, an increase from the prior limit of 64 square inches.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

If there are no changes to appropriations, revenues, or positions, please delete the table below.

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The legislation provides more flexibility for home occupations. This could lead to an increase in home occupations. Home occupations are regulated by performance standards and do not require a land use permit. If conflicts arise between new and existing home occupations and near neighbors, there could be an increase in complaints and enforcement activity by the Seattle Department of Construction and Inspections (SDCI). Expenditures for investigations of complaints that do not lead to notices of violations are funded through the General Fund.

Are there financial costs or other impacts of *not* implementing the legislation?

No.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes, the Seattle Department of Construction and Inspections and the Office of Economic Development.

b. Is a public hearing required for this legislation?

A public hearing is required with 30-days advance notice in the Land Use Information Bulletin and Daily Journal of Commerce.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes, hearing notice is required in the Daily Journal of Commerce.

d. Does this legislation affect a piece of property?

This legislation modifies regulations for home occupations, which are allowed in all residential zones.

- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
The proposed legislation may increase the number of home occupations. This could include increase business incubation and entrepreneurship by residents who are black, indigenous, or people of color.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No.
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**
No.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?**
Not applicable.

Summary Attachments (if any):

May 11, 2023

MEMORANDUM

To: Land Use and Neighborhood Committee
From: Ketil Freeman, Analyst
Subject: Council Bill 120520 – Regulations for Home Occupations

On May 15, 2023, the Land Use Committee (Committee) will have an initial briefing on [Council Bill \(CB\) 120520](#), which would relax regulations for home occupations. The bill would establish permanent regulations that replace interim regulations enacted during the pandemic. Those interim regulations were intended to allow home-based businesses, including those that may have operated out of a storefront, to operate with fewer restrictions during the COVID civil emergency.

Interim regulations were initially established through [Ordinance 126293](#) in March, 2021, and were later extended through [Ordinance 126555](#) in March, 2022. Interim regulations are now expired.

This memo: (1) provides some background information on how home occupations are regulated, (2) describes what CB 120520 would do, and (3) details procedural next steps.

Background

According to the Census Bureau, since the 1990s more people have been working from home.¹ Local governments have modified regulations for home-based businesses to reflect that change. Nationwide, regulations for home occupations range from prohibiting home occupations - to requiring permits for most home occupations - to mitigating the impacts of home occupations through performance standards.² Seattle most recently approved major updates to home occupation regulations in 2006.³ Seattle's regulations are generally more permissive than those of peer jurisdictions.

How Does Seattle Regulate Home Occupations?

City regulations currently allow home occupations as an accessory use to a residential use in all zones. Home occupations do not require a land use permit, although they may require construction permits and permissions from governments with regulatory authority over the type of business, such as Public Health – Seattle/King County. Home occupations are regulated primarily by operating standards that are intended to minimize the impact of the home-occupation on neighbors. These include:

¹ [Home-Based Workers in the United States: 2010 \(census.gov\)](#)

² For a description of the range of zoning controls applicable to home occupations see Beale, Henry. (2004). [Home-Based Business and Government Regulation](#). Pages 71-88. United States Small Business Administration.

³ [Ordinance 122311](#).

- Limitations on the number of commercial vehicle deliveries and pick-ups;
- Limitations on the size of vehicles associated with the home occupation, not including vehicles that make deliveries to the business;
- Appointment-only customer visits;
- The residential appearance must be maintained;
- No more than two non-residents of the dwelling may work at the home occupation;
- The home occupation cannot substantially increase traffic and on-street parking in the vicinity;
- Signs identifying the business cannot exceed 64 square inches in size;
- Outdoor storage cannot be associated with the home occupation; and
- Limitations on noise, odor, dust, light, glare and other impacts.⁴

How Do Other Jurisdictions Regulate Home Occupations?

Portland, Oregon distinguishes two types of home occupations and requires a permit, with notice to neighbors, for home occupations that have a non-resident employee or have up to eight customer visits per day.¹ Austin, Texas prohibits certain uses as home occupations and specifies performance standards for home occupations, such as limiting commercial vehicle trips and parking associated with home occupations.² San Diego, California primarily utilizes performance standards to regulate home occupations but allows for home occupations to deviate from those standards through a permit process with notice to neighbors.³

What CB 120520 Would Do

CB 120520 would permanently relax certain performance standards for home occupations. Those standards are limitations on:

- The number of employees;
- The type of customer visits;
- Increased traffic and parking demand;
- Number of allowed vehicles;
- Outdoor locations for home occupations; and
- The non-commercial appearance of home occupations.

⁴ See [Seattle Municipal Code Section 23.42.050](#). For a plain language description see also, [Home Business Rules - SDCI | seattle.gov](#).

¹ [Home Occupation Permits - Running a Business Out of Your Home | Portland.gov](#)

² Austin Land Development Code Section 25-2-900.

³ City of San Diego Development Services. [How to Obtain a Neighborhood Use Permit for a Home Occupation, Information Bulletin 540](#).

Additionally, the bill would allow home occupations to have a larger sign, up to 720 square inches, from 64 square inches. Drive-in businesses would continue to be prohibited.

Next Steps

The Committee will hold a public hearing, discuss and may vote on CB 120520 on June 14th.

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst



SEATTLE CITY COUNCIL
CENTRAL STAFF

CB 120520 – Permanent Regulations for Home Occupations

KETIL FREEMAN, ANALYST

LAND USE COMMITTEE

MAY 15, 2023

Background

- March 2021 - Council passes Ord. 126293, interim regulations for home occupations. Interim regulations were intended to allow home-based businesses, including those that may have operated out of a storefront, to operate with fewer restrictions during the COVID civil emergency.
- March 2022 – Council passes Ord. 126555, which extend the interim regulations for an additional 6 months.
- November 2022 – Interim regulations lapse.

What CB 120520 Would do

Performance Standard	Current Regulations	Proposed Regulations
<i>Customer visits</i>	By appointment only	No limit and can include walk-up customers
<i>Employees</i>	No more than two non-resident employees	No limit
<i>Vehicles w. Home Occupation</i>	No more than two	No more than three
<i>Signage</i>	One sign up to 64 square inches	One sign up to 720 square inches
<i>Commercial Deliveries</i>	One per day on weekdays / None on weekends	No limitation
<i>Visual Evidence of Home Occupation</i>	None allowed from exterior of structure	Home occupation may be located on outdoor areas of a lot

Next Steps

- 6/14/23 – Issue Identification, Hearing, and Possible Vote
- 6/20/23 – Possible Full Council Vote

Questions?



SEATTLE CITY COUNCIL
CENTRAL STAFF

CB 120520 - Permanent Regulations for Home Occupations

KETIL FREEMAN, ANALYST

LAND USE COMMITTEE

JUNE 14, 2023

Background

- March 2021 - Council passes Ord. 126293, interim regulations for home occupations. Interim regulations were intended to allow home-based businesses, including those that may have operated out of a storefront, to operate with fewer restrictions during the COVID civil emergency.
- March 2022 – Council passes Ord. 126555, which extend the interim regulations for an additional 6 months.
- November 2022 – Interim regulations lapse.

What CB 120520 Would do

Performance Standard	Current Regulations	Proposed Regulations	Interim Regulations
<i>Customer visits</i>	By appointment only	No limit and can include walk-up customers	Same as Proposed
<i>Employees</i>	No more than two non-resident employees, except for childcare	No limit	Same as Proposed
<i>Vehicles w. Home Occupation</i>	No more than two	No more than three	No more than two
<i>Signage</i>	One sign up to 64 square inches	One sign up to 720 square inches	Same as Proposed
<i>Commercial Deliveries</i>	One per day on weekdays / None on weekends	No limit	One per day on weekdays / None on weekends
<i>Visual Evidence of Home Occupation</i>	None allowed from exterior of structure, except for childcare	Home occupation may be located on outdoor areas of a lot	Same as Proposed

Issue Identification

- Potential for unintended consequences associated with home occupations that generate a high number of customer visits, have a large number of employees, or have other use characteristics that conflict with residential uses.
- Potential conflict with other goals and policies which encourage concentration and expansion of commercial uses in existing commercial / mixed use areas.
- Extent of impact depends on types of future home occupations and number.

Questions?



Legislation Text

File #: CB 120587, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to environmental review; amending Section 25.05.800 of the Seattle Municipal Code to update categorical exemptions for “infill” development consistent with changes to the State Environmental Policy Act.

WHEREAS, in 2003, regulations governing the State Environmental Policy Act (SEPA) categorical exemptions for infill development was enacted by the state of Washington to encourage growth consistent with the Growth Management Act (chapter 36.70A RCW); and

WHEREAS, RCW 43.21C.229 authorizes cities planning under RCW 36.70A.040 to establish categorical exemptions from the State Environmental Policy Act (RCW 43.21C) that differ from the exemptions in RCW 43.21.C.110(1)(a); and

WHEREAS, under RCW 43.21C.229, the infill development categorical exemptions are allowed to be applied by local governments within an urban growth area, when the environmental impacts of such exemptions have been considered, when the City’s comprehensive plan has received environmental review in the form of an environmental impact statement, and where current density and intensity for growth areas are lower than called for in the City’s comprehensive plan; and

WHEREAS, in 2016, pursuant to the provisions of RCW 43.21C.229, The City of Seattle adopted infill development exemptions for urban centers that were higher than the categorical exemptions that the Washington State Department of Ecology (Ecology) had promulgated pursuant to RCW 43.21C.110; and

WHEREAS, in 2022, Ecology adopted new and higher infill development exemptions by rule pursuant to RCW

43.21C.110 for urban areas, and The City of Seattle wishes to recognize those limits in its SEPA regulations; and

WHEREAS, development in Downtown Seattle has exceeded the growth estimates adopted for the Urban Center, and the current exemptions in Seattle’s regulations are unreasonably low; and

WHEREAS, the City has the opportunity to update its regulations for Downtown Seattle to make sure that development in the Downtown Urban Center does not need to undertake lengthy and costly environmental review in cases where other regulations will appropriately mitigate impacts of that development; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds and declares:

A. Infill development categorical exemptions are authorized by the State, and have been effective as a factor to encourage new development to locate within urban areas consistent with the City’s Comprehensive Plan.

B. Environmental analysis, protection, and mitigation for impacts to elements of the environment are adequately addressed through existing codes and regulations as demonstrated in Attachment 1 to this ordinance.

C. Seattle Municipal Code subsection 25.05.800.B.7 requires that buildings that may have historical significance be reviewed by the City’s Department of Neighborhoods whether or not proposed development exceeds SEPA thresholds set forth elsewhere in Section 25.05.800.

Section 2. Section 25.05.800 of the Seattle Municipal Code, last amended by Ordinance 126509, is amended as follows:

25.05.800 Categorical exemptions

The proposed actions contained in this Section 25.05.800 are categorically exempt from threshold determination and environmental impact statement requirements, subject to the rules and limitations on categorical exemptions contained in Section 25.05.305.

A. Minor new construction; flexible thresholds

1. The exemptions in this subsection 25.05.800.A apply to all licenses required to undertake the construction in question. To be exempt under this Section 25.05.800, the project shall be equal to or smaller than the exempt level. For a specific proposal, the exempt level in subsection 25.05.800.A.2 shall control. If the proposal is located in more than one city or county, the lower of the agencies' adopted levels shall control, regardless of which agency is the lead agency. The exemptions in this subsection 25.05.800.A apply except when the project:

- a. Is undertaken wholly or partly on lands covered by water;
- b. Requires a license governing discharges to water that is not exempt under RCW

43.21C.0383;

- c. Requires a license governing emissions to air that is not exempt under RCW

43.21C.0381 or WAC 197-11-800(7) or 197-11-800(8); or

- d. Requires a land use decision that is not exempt under subsection 25.05.800.F.

2. The following types of construction are exempt, except when undertaken wholly or partly on lands covered by water:

- a. The construction or location of residential or mixed-use development containing no more than the number of dwelling units identified in Table A for 25.05.800 ((below)):

Zone	Number of exempt dwelling units		
	Outside urban centers and urban villages	Within urban centers and urban villages where growth estimates have not been exceeded	Within urban centers and urban villages where growth estimates have been exceeded
NR and RSL	4	4	4
LR1	4	200 ¹	20
LR2	6	200 ¹	20
LR3	8	200 ¹	20

NC1, NC2, NC3, C1, and C2	4	200 ¹	20
MR, HR, and Seattle Mixed zones	20	200 ¹	20
MPC-YT	NA	30 ¹	20
Downtown zones	NA	250 ¹	((20)) <u>200</u>
Industrial zones	4	4	4

Footnotes to Table A for 25.05.800 NA = not applicable Urban centers and urban villages are identified in the Seattle Comprehensive Plan ¹ Pursuant to RCW 43.21C.229, new residential development or the residential portion of new mixed-use development located in an urban center or in an urban village is categorically exempt from the State Environmental Policy Act, unless the Department has determined that residential growth within the urban center or village has exceeded exemption limits for the center that the Department has established pursuant to subsection 25.05.800.A.2.i.

b. The construction of a barn, loafing shed, farm equipment storage building, produce storage or packing structure, or similar agricultural structure, covering 10,000 square feet or less, and to be used only by the property owner or the property owner's agent in the conduct of farming the property. This exemption does not apply to feed lots;

c. The construction of office, school, commercial, recreational, service, or storage buildings, containing no more than the gross floor area listed in Table B for 25.05.800 (~~below~~):

Zone	Exempt area of use (square feet of gross floor area)		
	Outside urban centers and hub urban villages	Within urban centers and hub urban villages where growth estimates have not been exceeded	Within urban centers and hub urban villages where growth estimates have been exceeded
NR, RSL, and LR1	4,000	4,000	4,000
LR2 and LR3	4,000	12,000 ¹ or 30,000 ²	12,000
MR, HR, NC1, NC2, and NC3	4,000	12,000 ¹ or 30,000 ²	12,000
C1, C2, and Seattle Mixed zones	12,000	12,000 ¹ or 30,000 ²	12,000
Industrial zones	12,000	12,000	12,000
MPC-YT	NA	12,000	12,000
Downtown zones	NA	((12,000¹ or)) 30,000 ((²))	((12,000)) <u>30,000</u>

Footnotes to Table B for 25.05.800 NA = not applicable Urban centers and urban villages are identified in the Seattle Comprehensive Plan ¹ New non-residential development that is not part of a mixed-use development and that does not exceed 12,000 square feet in size is categorically exempt from the State Environmental Policy Act (SEPA). ² Pursuant to RCW 43.21C.229, new non-residential development that does not exceed 30,000 square feet and that is part of a mixed-use development located in an urban center or in a hub urban village is categorically exempt from SEPA, unless the Department has determined that employment growth within the urban center or village has exceeded exemption limits for the center that the Department has established pursuant to subsection 25.05.800.A.2.i.

- d. The construction of a parking lot designed for 40 or fewer automobiles, as well as the addition of spaces to existing lots up to a total of 40 spaces;
- e. Any fill or excavation of 500 cubic yards or less throughout the total lifetime of the fill or excavation; and any excavation, fill, or grading necessary for an exempt project in subsections 25.05.800.A.2.a, 25.05.800.A.2.b, 25.05.800.A.2.c, or 25.05.800.A.2.d shall be exempt;
- f. Mixed-use construction, including but not limited to projects combining residential and commercial uses, is exempt if each use, if considered separately, is exempt under the criteria of subsections 25.05.800.A.2.a through 25.05.800.A.2.d, unless the uses in combination may have a probable significant adverse environmental impact in the judgment of an agency with jurisdiction (see subsection 25.05.305.A.2.b);
- g. In zones not specifically identified in this subsection 25.05.800.A, the standards for the most similar zone addressed by this subsection 25.05.800.A apply;
- h. For the purposes of this subsection 25.05.800.A, "mixed-use development" means development having two or more principal uses, one of which is a residential use comprising 50 percent or more of the gross floor area;
- i. To implement the requirements of Table A for 25.05.800 and Table B for 25.05.800, the Director shall establish implementation guidance by rule for how growth is measured against exemption limits and how changes to thresholds will occur if exemption limits are reached. The exemption limits shall consist of the growth estimates established in the Comprehensive Plan for a given area, minus a "cushion" of ten percent

to assure that development does not exceed growth estimates without SEPA review; and

j. The Director shall monitor residential and employment growth and periodically publish a determination of growth for each urban center and urban village. Residential growth shall include, but need not be limited to, net new units that have been built and net new units in projects that have received a building permit but have not received a certificate of occupancy. Per implementation guidance established by rule, if the Director determines that exemption limits have been reached for an urban center or urban village subsequent development will be subject to the lower thresholds as set forth in Table A for 25.05.800 and Table B for 25.05.800.

* * *

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Anne Frantilla, Interim City Clerk

(Seal)

Attachments:

Attachment 1 - Summary of environmental protections in other codes and rules for each of SEPA's elements of the environment

Summary of environmental protections in other codes and rules for each of SEPA’s elements of the environment

The bill adjusts State Environmental Policy Act (SEPA) thresholds to allow projects in Downtown Seattle to be categorically exempt from review under SEPA if they contain less than 200 residential units¹ or less than 30,000 square feet of non-residential space.² Projects of this size that include at least 40 parking spaces or are over water would still be subject to SEPA review.

Of the residential projects that applied for Master Use Permits in the last ten years in Downtown Seattle which proposed between 100 and 250 units, only one provided less than 40 parking spaces. All others were subject to SEPA. The one residential project with more than 100 units that did not include parking participated in the “[Living Building Challenge](#)” pursuant to Seattle Municipal Code (SMC) [23.40.060](#) and will exceed the City’s energy, wastewater, and other environmental requirements. Some other residential projects with fewer than 100 units proposed sufficient non-residential space to require environmental review under SEPA. The smallest projects did not exceed the threshold and therefore were not subject to SEPA. The only SEPA conditions applied to residential or mixed-use projects were related to construction impacts. The City did not impose any long-term SEPA conditions.

There were no solely non-residential projects in Downtown Seattle that included between 12,000 and 30,000 square feet of non-residential space over the last ten years. Looking at the projects with less than 100,000 square feet, most had no conditioning or mitigation under SEPA. The three that were conditioned only had conditions related to short-term construction impacts.

The following table shows how the elements of the environment that are analyzed under SEPA are addressed by other existing City, State and Federal codes and rules.

¹ The current threshold is 20 units, a threshold of 250 units would apply if Downtown Seattle had not exceeded the amount of housing growth the Comprehensive Plan estimated to occur Downtown between 2015 and 2035.

² The current threshold is 12,000 square feet of non-residential space. A threshold of 30,000 square feet would apply if Downtown Seattle had not exceeded the amount of job growth the Comprehensive Plan estimated to occur Downtown between 2015 and 2035.

Table 1

SEPA Authority by Element of the Environment (from 25.05.444)	How Addressed by Other Codes/Rules*
Air Quality	<ul style="list-style-type: none"> • Regional air quality oversight addresses policies and rules on air quality attainment status on a neighborhood or sub-area basis. Additional authority provided by Puget Sound Clean Air Agency (PSCAA), Environmental Protection Agency, Clean Air Act, and the state Department of Ecology. The energy code prohibits the use of natural gas heating in new buildings taller than three stories.
Construction Impacts - Air Quality	<ul style="list-style-type: none"> • Building code contains provisions for the removal of hazardous and combustible materials (Section 3303). • PSCAA rules and best practices apply to mitigate impacts from fugitive dust and other potentially hazardous demolition waste materials, such as lead. • PSCAA permit required for asbestos removal and includes survey and mitigation measures for dust control techniques and use of toxic air control technologies.
Construction Impacts – Noise	<ul style="list-style-type: none"> • Noise Code sets a limit of 7 PM on noisy work in most zones in or near residential areas (25.08.425), includes LR, MR, HR, NC, RC zones. • Noise Code includes daytime/nighttime noise level limits (25.08.410-425) • Major Public Project Construction Noise Variance (25.08.655)
Construction Impacts – Parking/Traffic/Streets/ Pedestrian Safety	<ul style="list-style-type: none"> • Street Use and Traffic Codes (Titles 15 & 11) contain authority to regulate: <ul style="list-style-type: none"> ○ Pedestrian safety measures, ○ Street and sidewalk closures, ○ Truck traffic timing and haul routes, and ○ Any planned use of the street for construction purposes (material, equipment storage). • Land Use Code (23.42.044) includes authority to manage construction-related parking.
Earth/Environmentally Critical Areas /Water Quality/ Drainage/ Plants and Animals	<ul style="list-style-type: none"> • Environmentally Critical Area Code includes mitigation for landslide hazards, steep slopes, unstable soils, wetlands, flood prone and fish/wildlife habitat areas (25.09). Consistent with RCW

SEPA Authority by Element of the Environment (from 25.05.444)	How Addressed by Other Codes/Rules*
	<p>Ch. 36.70A and WAC Ch. 365-190 guidance (also ref: Wash. Dept. of Commerce 2018 Critical Areas Handbook).</p> <ul style="list-style-type: none"> • Seattle’s Building and Construction codes include provisions that regulate development in seismic hazard areas. • In addition, the Stormwater, Grading & Drainage ordinances and Shoreline regulations (Chapter 23.60A) include environmental & water quality protections, to meet applicable State guidance that includes: the 2019 Stormwater Management Manual for Western Washington, and State Shoreline Master Program guidelines (WAC 173-26). Development over water is not categorically exempt, and SEPA will continue to apply to development in the Shoreline district.
Energy	<ul style="list-style-type: none"> • Energy Codes required by the City and the State mandate high levels of energy efficiency. • City Light utility system improvements, if any, are required to provide service to new development. This can include local improvements and at distances from sites if the needs warrant such improvements. • Various City policies, programs and rules address energy conservation and efficient building designs (LEED; Energy Star).
Environmental Health	<ul style="list-style-type: none"> • Federal, state and regional regulations are the primary means of mitigating risks associated with hazardous and toxic materials. • Regulations for telecommunications facilities in the Land Use Code also apply within this category.
<p>Housing</p> <p><i>SEPA authority is narrowly defined: “Compliance with legally valid City ordinance provisions relating to housing relocation, demolition and conversion shall constitute compliance with this [SEPA] housing policy.” SMC 25.05.675.1.2.c.</i></p>	<ul style="list-style-type: none"> • Land Use, housing and building maintenance, and other codes include provisions to encourage housing preservation, especially for low-income persons; as well as tenant relocation assistance, and incentives for affordable housing. • Low-income housing preservation is a high-priority for City public projects and programs, per SEPA policy (25.05.675.1.1.b.4). • “Mandatory Housing Affordability” affordable housing impact mitigation programs for commercial and residential development (Chapters 23.58B and 23.58C).

SEPA Authority by Element of the Environment (from 25.05.444)	How Addressed by Other Codes/Rules*
Historic Preservation/ Archaeological Sites	<ul style="list-style-type: none"> • Landmarks Preservation Ordinance remains in place for landmark preservation (Chapter 25.12) • Existing policy and practices are in place for SDCI to refer permit applicants to the City Historic Preservation Officer (CHPO) for potential survey and landmark nomination. These include requirements under Table A for Footnote (1) for 25.05.800.B.6. and 25.05.800.B.7 that require review by the CHPO when additions, modifications, demolition or replacement of structures in Downtown Seattle with more than 20 units or more than 4,000 square feet of non-residential space are proposed. • SDCI Director’s Rule 2-98: Clarification of State Environmental Policy Act (SEPA) Historic Preservation Policy for potential archaeologically significant sites and requirements for archeological assessments • Federal and state regulations address protection of cultural/archaeological resources (including RCW Chapters 27.34, 27.53, 27.44, 79.01 and 79.90 RCW; and WAC Chapter 25.48).
Land Use/Height, Bulk & Scale/Shadows on Open Spaces	<ul style="list-style-type: none"> • Design Review process applies at various thresholds and provides the venue for addressing these topics (Chapter 23.41). With recent adjustments, Design Review now applies to a greater range of locations and developments, which may depend on surrounding property context. In the densest Downtown zones (DOC1, DOC2 and DMC) design review is required for buildings with at least 50,000 square feet, in other Downtown zones design review is required for buildings with at least 20,000 square feet. This is equivalent to a 40 unit or smaller building in the lower-density Downtown zones or 100 unit or smaller building in the higher-density Downtown zones. • Land Use Code development standards address the scale of development and other aspects related to compatibility.
Light and Glare	<ul style="list-style-type: none"> • Land Use Code screening and landscaping, lighting directional/shielding standards provide mitigation. • Design Review can address this topic as well.
Noise	<ul style="list-style-type: none"> • Noise Control Code provides for daytime and nighttime noise limits, and authority to mitigate impacts related to exceeding noise level limits and specific noise generating activities.

SEPA Authority by Element of the Environment (from 25.05.444)	How Addressed by Other Codes/Rules*
<p>Public Services and Facilities/Utilities</p>	<ul style="list-style-type: none"> • Authority for requiring utility improvements and using building features that reduce demand for utilities is identified in rules, codes and policies and are applied during permitting reviews. These include construction codes including the Seattle Building Code, Seattle Electrical Code, Seattle Energy Code, and Seattle Fuel Gas Code (see 22.101.010); the Seattle Plumbing Code (Chapter 22.502), and the Stormwater Code (Chapter 22.800) and rules promulgated by the Seattle Department of Construction and Inspections, Seattle Public Utilities, and Seattle City light pursuant to those codes. This includes water, sewer, storm drain & electrical system improvements. • Permit applications are referred to other departments for input, if facilities or services might be affected, such as police or fire protection. • Public service and utility impact analyses to address growth impacts are addressed through area planning initiatives in conjunction with supporting area-wide SEPA reviews, as is done for subarea rezones.
<p>Public View Protection</p> <p><i>Applies to public views from designated public viewpoints, parks, scenic routes and view corridors to features such as mountains, skyline & water. Does not apply to views from private property.</i></p>	<ul style="list-style-type: none"> • Design Review can address individual development view impact consideration and mitigation. • View considerations, such as along specific streets, are commonly addressed during area planning and rezoning efforts. Commonly used approaches include height limits and upper-level setbacks incorporated into new zoning. In Downtown Seattle setbacks are required to preserve key view corridors.
<p>Traffic and Transportation</p>	<ul style="list-style-type: none"> • Land Use Code requires transportation study & mitigation (Chapter 23.52) for projects in Downtown Seattle with more than 81 residential units that are no longer subject to SEPA. • Per Section 23.52.004 citywide level-of-service standards, new development of certain size in certain locations must include action to help achieve single-occupant-vehicle reduction target, by geographic sector. • Street use permitting (15.04, 11.16) & Right of Way Improvements Manual include mitigation authority for: access point control, street/ intersection configuration, bike parking and signage.

SEPA Authority by Element of the Environment (from 25.05.444)	How Addressed by Other Codes/Rules*
	<ul style="list-style-type: none"> • Projects with 40 parking spaces or more are required to be analyzed under SEPA.

*All citations are Seattle Municipal Code, unless indicated. RCW = Revised Code of Washington. WAC = Washington Administrative Code.

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Legislative	Lish Whitson/206-615-1674	N/A

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to environmental review; amending Section 25.05.800 of the Seattle Municipal Code to update categorical exemptions for “infill” development consistent with changes to the State Environmental Policy Act.

Summary and Background of the Legislation: This bill amends the City’s Environmental Policies and Procedures to increase the size of development in Downtown Seattle that is exempt from review under the State Environmental Policy Act (SEPA) to reflect changes to State law. Because, Downtown Seattle has reached its 20-year estimated growth under the Comprehensive Plan, Seattle’s current SEPA regulations require environmental review for residential projects up to 20 units, or non-residential projects that are 12,000 square feet or smaller. Consistent with SEPA and its regulations, this bill would raise those levels to exempt projects up to 200 units, and non-residential projects that are 30,000 square feet or smaller. Attachment 1 to the bill summarizes how the environmental impacts of development Downtown are currently mitigated through other regulations.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes ___ **X** No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes ___ **X** No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

If not approved, more housing projects in Downtown Seattle would have to submit environmental checklists as part of their application, increasing the time that the Seattle Department of Construction and Inspections (SDCI) takes to review the project. If the environmental documents are appealed, the time required to staff the appeal can be significant. Those costs would be reduced, as would permit fees collected to compensate staff for their time to review the checklist as part of the development application.

Are there financial costs or other impacts of *not* implementing the legislation?
See above.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
SDCI reviews SEPA environmental documents, as described above.
- b. **Is a public hearing required for this legislation?**
The Land Use Committee will hold a public hearing on June 14, 2023.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
Notice was provided in the Daily Journal of Commerce (DJC).
- d. **Does this legislation affect a piece of property?**
This legislation affects all properties in the Downtown Urban Center where a residential project with up to 200 units or a non-residential project with up to 30,000 square feet of space is proposed.
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
The Downtown Urban Center includes the Chinatown/International District (CID). The entire CID is within the International Special Review District (ISRD) and projects within the ISRD are reviewed by the community elected ISRD board. However, there would be less opportunity for review and comment on projects with between 21 and 200 units than under the current code. After reviewing recent development with up to 300 units in Downtown very few projects were required to provide mitigation beyond mitigation of construction impacts, which are addressed by the current building and construction codes.
- f. **Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** Households in dense neighborhoods are likely to produce less carbon on a per capita basis than households in less dense neighborhoods. Encouraging development in Downtown Seattle and other dense neighborhoods is one of the City's strategies for reducing carbon emissions.
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** No
- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?** Not applicable

Summary Attachments (if any): None



SEATTLE CITY COUNCIL
CENTRAL STAFF

Downtown SEPA Thresholds (CB 120587)

LISH WHITSON, LEGISLATIVE ANALYST

LAND USE COMMITTEE

JUNE 8, 2023

State Environmental Policy Act

- Requires environmental review of projects likely to have adverse impacts on the environment
- Projects below set thresholds are “categorically exempt” from review
- State Law (RCW and WAC) provides maximum exemption levels
- Highest threshold is tied to anticipated growth under the Comprehensive Plan
- Changes to the WAC allow for increases to the exemption level in areas that have exceed Comprehensive Plan growth estimates

Downtown Seattle

- Residential development has exceeded its growth estimate of 12,000 units in Seattle 2035 Comprehensive Plan
- Currently SEPA is required for any project with more than 20 residential units
- Any project with 40 or more parking spaces is also required to be reviewed under SEPA

New Residential Exemption Level (CB 120587)

Zone	Number of exempt dwelling units		
	Outside urban centers and urban villages	Within urban centers and urban villages where growth estimates have not been exceeded	Within urban centers and urban villages where growth estimates have been exceeded
Downtown zones	NA	250 ¹	((20)) <u>200</u>

Footnotes to Table A for 25.05.800

NA = not applicable

Urban centers and urban villages are identified in the Seattle Comprehensive Plan

¹ Pursuant to RCW 43.21C.229, new residential development or the residential portion of new mixed-use development located in an urban center or in an urban village is categorically exempt from the State Environmental Policy Act, unless the Department has determined that residential growth within the urban center or village has exceeded exemption limits for the center that the Department has established pursuant to subsection 25.05.800.A.2.i.

Nonresidential Exemption Level (CB 120587)

Zone	Exempt area of nonresidential use (square feet of gross floor area)		
	Outside urban centers and hub urban villages	Within urban centers and hub urban villages where growth estimates have not been exceeded	Within urban centers and hub urban villages where growth estimates have been exceeded
Downtown zones	NA	((12,000¹ or) 30,000(²))	((12,000)) <u>30,000</u>

Footnotes to Table B for 25.05.800

NA = not applicable

Urban centers and urban villages are identified in the Seattle Comprehensive Plan

¹ New non-residential development that is not part of a mixed-use development and that does not exceed 12,000 square feet in size is categorically exempt from the State Environmental Policy Act (SEPA).

² Pursuant to RCW 43.21C.229, new non-residential development that does not exceed 30,000 square feet and that is part of a mixed-use development located in an urban center or in a hub urban village is categorically exempt from SEPA, unless the Department has determined that employment growth within the urban center or village has exceeded exemption limits for the center that the Department has established pursuant to subsection 25.05.800.A.2.i.

Questions?