

November 28, 2022

MEMORANDUM

To: Land Use Committee
From: Ketil Freeman, Analyst
Subject: Council Bill 120464 – Temporary Design Review Exemption for Low-income Housing

On November 30, the Land Use Committee (Committee) will have an initial briefing and discussion on [Council Bill \(CB\) 120464](#), which would exempt multifamily and mixed-use projects developed for low-income households from the Design Review Program on a temporary basis.

This memo: (1) briefly describes what CB 120464 would do and (2) sets out procedural next steps.

What Would CB 120464 Do?

CB 120464 would amend the Land Use Code for a one-year period to exempt multifamily and mixed-use projects developed for low-income households from the Design Review Program. Specifically, the bill would:

- Allow developments with at least 40 percent of units affordable to households with income no greater than 60 percent of Area Median Income (AMI) to opt out of design review;¹
- Authorize the Director of the Seattle Department of Construction and Inspections (SDCI) to waive or modify certain development standards for projects opting out of design review as a Type I (i.e., non-appealable) decision, if the waiver (1) does not impact the height, bulk and scale of the development and (2) results in more affordable units; and
- Approve a work program for consideration of permanent changes to the Design Review Program.

Except for the proposed authority for the SDCI Director to grant waivers as a Type I decision for exempt projects, which is new, CB 120464 would continue a COVID-related exemption for low-income housing development initially established by [Ordinance 126072](#) and extended by [Ordinance 126188](#). The exemption authorized under Ordinance 126188 will expire at the end of 2022.

SDCI estimates that currently six projects with 450 low-income units would be eligible to opt out of design review. During the pandemic, roughly half of eligible projects chose the design review exemption. It is unclear whether the proposed administrative authority to waive or

¹ For 2022, 60 percent of AMI is \$54,350 for a one-person household. U.S. Department of Housing and Urban Development published affordable rent for a one-bedroom apartment at 60 percent AMI is \$1,455 /month.

modify development standards will induce more eligible projects to opt out of design review. While projects that opt out would be able to achieve some design waivers otherwise only available through design review, those projects would not enjoy the inoculation from SEPA appeals based on aesthetics afforded to projects that participate in design review.²

If Council does not approve CB 120464, affordable rental housing projects required to go through design review would be subject to the pre-pandemic requirement of administrative, not full, design review.

Next Steps

The Committee will hold a public hearing on CB 120464 at a special LUC meeting on December 8, 2022. Committee discussion and a potential recommendation on the bill to the City Council could occur at that meeting, which may allow the City Council to vote on the bill as early as its December 13 meeting.

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Lead Analyst

² Seattle Municipal Code Section 25.05.680, as amended by [Ordinance 126685](#).