

March 17, 2025

MEMORANDUM

To: Land Use Committee From: Lish Whitson, Analyst

Subject: CF 314491 – 8601 Fremont Ave N – Blair Stone/Encore Architects Rezone

On March 17, the Land Use Committee (Committee) will receive a briefing and may make a recommendation to the City Council on Clerk File 314491, which is an application by Blair Stone, Encore Architects, on behalf of Bellwether Housing (Applicant), to rezone the lot at 8601 Fremont Ave N (Council District 5) from Neighborhood Residential 3 (NR3) to Lowrise 2 with an (M1) Mandatory Housing Affordability suffix (LR2 (M1)). The rezone would facilitate the development of two residential buildings containing a total of 53 affordable housing units.

This memorandum (1) provides an overview of the rezone application and procedural posture; (2) describes the type of action for the purposes of Council decision-making; and (3) describes the actions the Committee may take to approve the rezone.

Overview of the Rezone Application and Procedural Posture

The Applicant applied for a rezone of a 34,654 square foot lot located mid-block on the west side of Fremont Avenue N between N 85th Street and N 87th Street. The site is located between the Denise Hunt Townhomes on the south and the Greenwood Boys and Girls Club on the north. Across Fremont Avenue N from the site are single-family houses. The site is located one block south of Greenwood Park.

The Applicant proposes to develop two three-story apartment buildings containing a total of 58 affordable units. Apartments would range in size from studio to three-bedroom, with 20 two and three-bedroom units. Of the 58 units, 70 percent would be affordable at or below 50 percent of the Area Median Income (AMI), and 30 percent would be affordable at or below 60 percent AMI. The Seattle Office of Housing has committed funding to this project.

On December 23, 2024, the Seattle Department of Construction and Inspections (SDCI) issued a recommendation to approve the rezone with conditions. The Seattle Hearing Examiner held an open record hearing on January 14, 2025, and issued a recommendation on January 29, 2025, to approve the rezone subject to conditions.

The Hearing Examiner's recommendation is to adopt the rezone contingent on the recording of a Property Use and Development Agreement (PUDA) against the title to the property containing the following conditions:

Prior to Issuance of a Master Use Permit

- 1. The rezone includes a Mandatory Housing Affordability designation of M1.
- 2. Development of the rezoned property shall be subject to the requirements of SMC 23.58B and/or 23.58C. The PUDA shall specify the payment and performance calculation amounts for purposes of applying Chapter 23.58B and/or 23.58C

Prior to Issuance of a Building Permit

3. Plans shall be in substantial conformance with the approved plans for Master Use Permit number 3036119-LU, provided that, should the City Council adopt legislation that implements a zoning designation for the site with higher development capacity than LR2, the Applicant may revise its proposal to fully conform with the lateradopted zoning designation.

These three conditions are routine for contract rezones, with one exception. Generally, a contract rezone ties a property to the zoning that is sought in the rezone application. The applicants for this rezone, however, have recognized that the Mayor's draft Phase 2 zoning changes released this past fall would rezone the subject property to Lowrise 3 and include the area within the boundaries of the Greenwood Urban Center. Lowrise 2 allows residential buildings up to 40 feet tall. Lowrise 3 zones in urban centers allow residential buildings up to 50 feet tall.

Under these conditions, if the Council were to decide to rezone the area as part of its implementation of the One Seattle Comprehensive Plan, Bellwether would be allowed to develop under that more intensive zoning. There is nothing to preclude the Council from including such a provision in its approval of a rezone.

Type of Action

A Council decision on the rezone application is quasi-judicial.¹ Quasi-judicial decisions are subject to the Appearance of Fairness Doctrine prohibiting ex-parte communication and are governed by the Council's Quasi-Judicial Rules.²

The Council's decision must be made on the record established by the Hearing Examiner. The Hearing Examiner establishes the record at an open-record hearing. The record contains the substance of the testimony provided at the Hearing Examiner's open record hearing and the exhibits entered into the record at that hearing.

¹ Seattle Municipal Code (SMC) <u>Section 23.76.036</u>.

² Adopted by Resolution 31602 (2015).

Audio recordings of the hearing can be accessed through the Hearing Examiner's website.³ Excerpts from the record, including a list of exhibits, the SDCI recommendation, and an analysis by the Applicant of how the proposed rezone meets the rezone criteria in Seattle Municipal Code Chapter 23.34 are contained in the Legistar record for CF 314491. All exhibits are available electronically upon request.

Committee Decision Documents and Next Steps

To approve a contract rezone, the Committee must make recommendations to the City Council on two pieces of legislation: (1) a Council Findings, Conclusions and Decision (FCD) that is added to the Clerk File and conditionally grants the rezone application, and (2) a bill amending the zoning map and accepting a Property Use and Development Agreement (PUDA) that has been recorded against the properties and contains conditions applicable to future development.

The Land Use Code requires that Council act on any rezone application that has not been appealed within 90 days of the Hearing Examiner's recommendation. Consequently, City Council action on the application should occur by April 29, 2025. Unless directed otherwise, I will develop draft documents to approve the rezone including a Council Bill and PUDA for consideration by the Committee at its next meeting on April 2.

cc: Ben Noble, Director Yolanda Ho, Deputy Director

³ Case Details for HE File Number: <u>CF-314491</u>.