



SEATTLE CITY COUNCIL

Land Use and Sustainability Committee

Agenda

Public Hearing

Wednesday, May 20, 2026

9:30 AM

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

Eddie Lin, Chair
Dan Strauss, Vice-Chair
Dionne Foster, Member
Joy Hollingsworth, Member
Alexis Mercedes Rinck, Member

Chair Info: 206-684-8802; Eddie.Lin@seattle.gov

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May 20, 2026 - 9:30 AM
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Meeting Location:

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

Committee Website:

<https://seattle.gov/council/land-use-and-sustainability>

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. Please register in advance in order to be recognized by the Chair. Details on how to register for Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at <https://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin one hour before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting.

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.

Please submit written comments no later than four business hours prior to the start of the meeting to ensure that they are distributed to Councilmembers prior to the meeting. Comments may be submitted at Council@seattle.gov or at Seattle City Hall, Attn: Council Public Comment, 600 4th Ave., Floor 2, Seattle, WA 98104. Business hours are considered 8 a.m. - 5 p.m. Comments received after that time will be distributed after the meeting to Councilmembers and included as part of the public record.

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

Members of the public may address items on the agenda and matters within the purview of the committee. Please register in advance to be recognized by the Chair.

D. Items of Business

1. [CB 121196](#) An ordinance relating to land use and zoning; rezoning certain land in the University District, the Fremont neighborhood, the Madison/Miller neighborhood, the Rainier Beach neighborhood, and the Downtown neighborhood; rezoning land and amending development standards to increase housing supply, support multi-purpose redevelopment on certain sites with community-based uses, remove code barriers to passive house, modular, and mass timber construction and to conversion from commercial space to housing in more zones, and incentivize community-serving uses along with the construction of more housing in certain areas; amending Sections 23.40.080, 23.47A.009, 23.49.008, 23.49.011, 23.49.036, 23.49.058, and 23.49.158 of the Seattle Municipal Code; adding a new Section 23.40.090 to the Seattle Municipal Code; adding a new Map 1L to Chapter 23.49 of the Seattle Municipal Code; and amending Chapter 23.32 of the Seattle Municipal Code at pages 60, 76, 109, 112, and 188 of the Official Land Use Map.

Attachments: [Full Text: CB 121196 v1](#)
[Att 1 – Eligible Areas for Residential Height Limit Increase](#)
[Att 2 – Fremont - Stone Way Rezone Map](#)
[Att 3 – Downtown Retail Core Rezone Map](#)
[Att 4 – University District Rezone Map](#)
[Att 5 – Rainier Beach Rezone Map](#)
[Att 6 – Madison - Miller Rezone Map](#)

Supporting Documents: [Summary and Fiscal Note](#)
[Director's Report](#)
[Presentation \(4/15/26\)](#)
[Central Staff Memo \(5/20/26\)](#)
[Public Hearing Notice](#)

Public Hearing, Briefing, Discussion, and Possible Vote

Presenter: HB Harper, Council Central Staff

2. [CB 121214](#) **An ordinance relating to land use and zoning; introducing a new definition for data centers; adopting a moratorium on the filing, acceptance, processing, or approval of applications for the establishment or expansion of, or change of use to, data centers; amending Section 23.84A.008 of the Seattle Municipal Code; approving a work plan; declaring an emergency; and establishing an immediate effective date; all by a 3/4 vote of the City Council.**

Supporting Documents: [Att A - Work Plan for Data Center Moratorium](#)
[Summary and Fiscal Note](#)
[Director's Report](#)

Briefing, Discussion, and Possible Vote

Presenters: HB Harper and Eric McConaghy, Council Central Staff

3. [CB 121215](#) **An ordinance relating to Council land use decisions; amending Sections 23.76.050, 23.76.062, and 25.05.680 of the Seattle Municipal Code to clarify processes for Council land use decisions.**

Supporting Documents: [Summary and Fiscal Note](#)

Briefing and Discussion

Presenter: Lish Whitson, Council Central Staff

E. Adjournment



Legislation Text

File #: CB 121196, **Version:** 1

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle

Ordinance

Council Bill

An ordinance relating to land use and zoning; rezoning certain land in the University District, the Fremont neighborhood, the Madison/Miller neighborhood, the Rainier Beach neighborhood, and the Downtown neighborhood; rezoning land and amending development standards to increase housing supply, support multi-purpose redevelopment on certain sites with community-based uses, remove code barriers to passive house, modular, and mass timber construction and to conversion from commercial space to housing in more zones, and incentivize community-serving uses along with the construction of more housing in certain areas; amending Sections 23.40.080, 23.47A.009, 23.49.008, 23.49.011, 23.49.036, 23.49.058, and 23.49.158 of the Seattle Municipal Code; adding a new Section 23.40.090 to the Seattle Municipal Code; adding a new Map 1L to Chapter 23.49 of the Seattle Municipal Code; and amending Chapter 23.32 of the Seattle Municipal Code at pages 60, 76, 109, 112, and 188 of the Official Land Use Map.

The full text of this legislation is attached to the file.

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle
Ordinance _____
Council Bill _____

..title

An ordinance relating to land use and zoning; rezoning certain land in the University District, the Fremont neighborhood, the Madison/Miller neighborhood, the Rainier Beach neighborhood, and the Downtown neighborhood; rezoning land and amending development standards to increase housing supply, support multi-purpose redevelopment on certain sites with community-based uses, remove code barriers to passive house, modular, and mass timber construction and to conversion from commercial space to housing in more zones, and incentivize community-serving uses along with the construction of more housing in certain areas; amending Sections 23.40.080, 23.47A.009, 23.49.008, 23.49.011, 23.49.036, 23.49.058, and 23.49.158 of the Seattle Municipal Code; adding a new Section 23.40.090 to the Seattle Municipal Code; adding a new Map 1L to Chapter 23.49 of the Seattle Municipal Code; and amending Chapter 23.32 of the Seattle Municipal Code at pages 60, 76, 109, 112, and 188 of the Official Land Use Map.

..body

Recitals:

Seattle continues to face a housing affordability challenge and an increase to housing supply is one of many strategies that can combat the high cost of housing in the region.

The One Seattle Comprehensive Plan informs a series of broad citywide zoning changes that support increased housing supply including allowing middle housing in Neighborhood Residential zones and establishing mixed use and multifamily zoning to support new Neighborhood Centers and transit corridors.

In addition to broad citywide zoning changes it is also important to expand housing supply in focused opportunity areas that are well positioned to support abundant housing construction that can be achieved in the short term.

In the wake of the global COVID-19 pandemic downtown Seattle faces a high vacancy rate in commercial and office spaces and one of the City's strategies to increase vitality and economic activity in downtown is to facilitate an increased amount of housing development in downtown neighborhoods.

Effective strategies to increase housing supply include removing code barriers to the building practices of sustainable mass timber, modular and passive house design, and Engrossed Second Substitute House Bill 1183 passed by the Washington State Legislature during the 2025 legislative session incentivizes such building practices through building code and development regulation reform.

Promoting upper-level housing above non-profit owned community facilities when it is time for them to undergo major renovation or reconstruction is a promising strategy to increase housing supply.

The proposed legislation includes zoning amendments to facilitate new affordable housing construction in upper stories above community-oriented facilities.

The proposed legislation removes code barriers to mass timber, passive house, and modular construction methods.

The proposed legislation is focused on opportunity areas for infill development and is tailored to avoid development pressure on historic landmarks, sites with character structures and displacement risk areas.

The proposed rezones include application of the City's Mandatory Housing Affordability (MHA) requirement. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Section 23.40.080 of the Seattle Municipal Code, last amended by Ordinance 127228, is amended as follows:

23.40.080 Conversion to residential use in an existing structure

A. For the purposes of this Section 23.40.080, "conversion to residential use in an existing structure" means a development that meets all the following criteria:

1. It does not expand a structure horizontally beyond the boundaries of the existing or approved exterior walls except for addition of incidental features that are necessary to accommodate residential use such as: ramps for ADA access, replacement windows or sheathing, addition of material enabling increased insulation, structural features to increase safety, additions for the purpose of complying with construction and energy codes and building performance standards for the conversion to residential use, circulation features for fire and life safety, mechanical equipment, plumbing and duct work, or awnings and bays. The horizontal expansion for incidental features shall not increase the floor area of the structure by more than 5 percent.

2. It does not expand the structure vertically beyond the existing or approved roof elevation, except by up to 15 feet to accommodate configuration or expansion of top floor residential use or rooftop features in residential use. Stair and elevator penthouses, mechanical equipment, and rooftop features allowances otherwise provided by the underlying zone may be placed on top of the 15-foot accommodation for configuration of top floor residential use without disqualifying the development from meeting this criterion.

3. The building in which the conversion would occur received either a temporary or permanent certificate of occupancy prior to March 1, ~~((2024))~~ 2026, or if no temporary or permanent certificate of occupancy is available is determined by the Director to have been legally occupied or is in a building approved for future development for which an unexpired Master Use Permit was issued, prior to March 1, ~~((2024))~~ 2026.

4. It is a conversion of floor area from nonresidential uses to residential uses that increases the number of dwelling units or congregate residence sleeping rooms in the structure.

5. It does not increase the square footage of nonresidential uses in the structure.

6. It is located in a commercial zone, a Downtown zone, a Seattle Mixed (SM) zone, the Highrise (HR) zone, ~~((or the))~~ Midrise (MR) zones, Lowrise (LR) zones, or the Neighborhood Residential (NR) zone.

* * *

C. A conversion to residential use in an existing structure meeting the criteria of subsection 23.40.080.A shall be exempt from all development standards and land use regulations of Chapter 23.44 (Neighborhood Residential), Chapter 23.45 (Multifamily), Chapter 23.47A (Commercial), Chapter 23.48 (Seattle Mixed), Chapter 23.49 (Downtown Zoning), Chapter 23.52 (Transportation Concurrency, and Transportation Impact Mitigation), Chapter 23.53 (Requirements for Streets, Alleys, and Easements), Chapter 23.54 (Quantity and Design Standards for Access, Off-Street Parking, and Solid Waste Storage), and Chapter 23.58A (Incentive Provisions), except that the following categories of development standards and regulations within any of those chapters shall continue to apply:

1. Permitted and prohibited use regulations pertaining to nonresidential uses;
2. Administrative conditional use regulations;
3. Light and glare standards;
4. Noise standards;
5. Institutions;
6. Home occupations;
7. Transitional encampment accessory uses;
8. Landmark Districts and designated landmark structures; and
9. Subsections 23.54.040.F, 23.54.040.G, 23.54.040.H, 23.54.040.I, and 23.54.040.J(~~(solid waste and recyclable material storage and access)~~).

* * *

F. A conversion to residential use in an existing structure meeting the criteria of subsection 23.40.080.A.1-5 and located in a commercial zone, a Downtown zone, ((or)) a Seattle (SM) Mixed zone, the Highrise (HR) zone, Midrise (MR) zones, or Lowrise (LR) zones, shall be exempt from requirements under Chapter 23.58C ~~((Mandatory Housing Affordability for Residential Development))~~ for any portion of the development proposal that converts floor area from a nonresidential use to a residential use.

* * *

Section 2. A new Section 23.40.090 is added to the Seattle Municipal Code as follows:

23.40.090 Exception from facade modulation and upper-level setback requirements for certain types of residential projects

A. For the purposes of this Section 23.40.090:

1. "Affordable housing" means dwelling units whose monthly costs, including utilities other than telephone, do not exceed 30 percent of the monthly income of a household whose income is:

a. For rental housing, 60 percent of the area median income adjusted for household size; or

b. For owner-occupied housing, 80 percent of the area median income adjusted for household size.

2. "Mass timber construction" means a building with structural components primarily made of mass timber products as defined in RCW 19.27.570.

3. “Modular construction” means a multistory residential building constructed of standardized components produced off-site, which are transported and assembled at a final location.

4. “Passive house requirements” means the criteria for certification as a passive house by Phius or the Passive House Institute.

B. A development with at least 50 percent of its gross floor area in residential use and that is any of the types of projects identified in subsections 23.40.090.B.1 through 23.40.090.B.5 shall be exempt from any facade modulation or upper-level setback requirement in this Title 23 including upper-level width and depth limits, tower separation, and tower spacing requirements. The types of projects identified are those:

1. Where 100 percent of the dwelling units in the development are affordable housing;
2. Where new construction meets passive house requirements;
3. Where retrofit of existing buildings meets passive house requirements;
4. That utilize modular construction; and
5. That utilize mass timber construction.

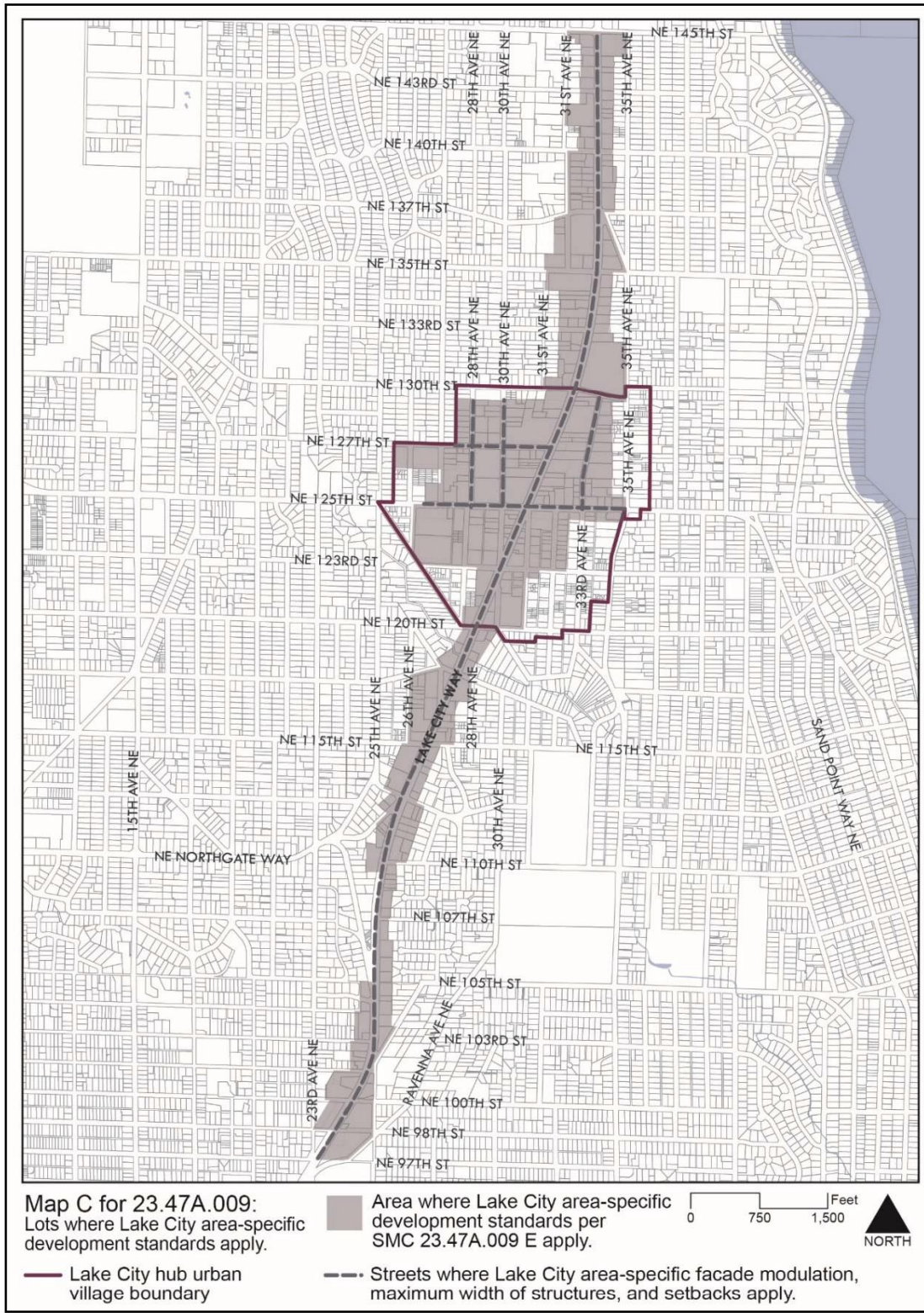
Section 3. Section 23.47A.009 of the Seattle Municipal Code, last amended by Ordinance 127376, is amended as follows:

23.47A.009 Standards applicable to specific areas

* * *

E. Lake City. The following provisions apply to development proposed on lots that are 40,000 square feet in size or greater and located in NC zones as shown on Map C for 23.47A.009.

Map C for 23.47A.009 Lots where Lake City area-specific development standards apply



1. Maximum lot coverage

a. The maximum lot coverage permitted for principal and accessory structures is 80 percent of the lot area.

b. Lot coverage exceptions. The following structures or portions of structures are not counted in the lot coverage calculation:

1) Portions of a structure that are below grade or that do not extend more than 4 feet above the finished grade.

2) The first 18 inches of overhead horizontal building projections of an architectural or decorative character, such as cornices, eaves, sills, and gutters.

3) Ramps or other devices that provide access for the disabled and elderly and that meet the standards of the Seattle Building Code.

4) The first 4 feet of unenclosed porches or steps for residential units.

c. In the portion of the lot that is not covered by structures, owners are encouraged to provide improvements at-grade that enhance the usability and livability of the lot for occupants and visitors, such as pedestrian circulation areas, landscaping, lighting, weather protection, art, or other similar improvements.

2. Facade modulation

a. Facade modulation requirements apply to all portions of a structure up to a height of 35 feet and located within 10 feet of a street lot line on streets designated by Map C for 23.47A.009.

b. The maximum width of any unmodulated facade is 100 feet.

Facades longer than 100 feet shall be modulated by stepping back the facade from the street lot line for a minimum depth of 10 feet and a minimum width of 15 feet.

c. Facade modulation requirements do not apply to portions of a structure that are below grade or that do not extend more than 2 feet above the finished grade at the lot line.

3. Maximum structure width

a. On streets designated by Map C for 23.47A.009, the maximum allowed structure width is 250 feet.

b. Structure width limits do not apply to portions of a structure that are below grade or that do not extend more than 2 feet above the finished grade at the lot line.

4. Upper-level setbacks

a. On streets designated by Map C for 23.47A.009, a setback with an average depth of 10 feet from abutting street lot lines is required for portions of a structure above a height of 35 feet. The maximum depth of a setback that can be used to calculate the average setback is 20 feet.

b. A setback with an average depth of 15 feet from abutting street lot lines is required for portions of a structure above a height of 65 feet. The maximum depth of a setback that can be used to calculate the average setback is 25 feet.

5. Structures permitted in required setbacks are subject to subsection 23.47A.014.G.

6. In addition to the provisions of subsections 23.47A.009.E.1 through 23.47A.009.E.5, for areas zoned NC-55 on lots that are 100,000 square feet in size or larger within the area shown on Map C for 23.47A.009, 2.0 FAR is added to the FAR limit and 30 feet is added to the height limit for development that includes at least 200 dwelling units, and includes any combination of grocery store, pharmacy, medical services, child care center, elementary or secondary school, community club, or community center uses that meet the following conditions:

a. Space for the uses is a minimum of 50,000 square feet of gross floor area;

b. Location of the uses is at the ground level and is easily accessible to the elderly and disabled; and

c. Space for the uses is reserved for the life of the project on the lot.

Section 4. Section 23.49.008 of the Seattle Municipal Code, last amended by Ordinance 127099, is amended as follows:

23.49.008 Structure height

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

A. Base and maximum height limits

1. Except as otherwise provided in this Section 23.49.008, maximum structure heights for Downtown zones are as designated on the Official Land Use Map. In certain zones, as specified in this Section 23.49.008, the maximum structure height may be allowed only for particular uses or only on specified conditions, or both. If height

limits are specified for portions of a structure that contain specified types of uses, the applicable height limit for the structure is the highest applicable height limit for the types of uses in the structure, unless otherwise specified.

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

3. In zones listed below in this subsection 23.49.008.A.3, the applicable height limit for portions of a structure that contain non-residential and live-work uses is shown as the first figure after the zone designation (except that there is no such limit in DOC1), and the base height limit for portions of a structure in residential use is shown as the first figure following the "/". The third figure shown is the maximum residential height limit. Except as stated in subsection 23.49.008.D, the base residential height limit is the applicable height limit for portions of a structure in residential use if the structure does not achieve bonus residential floor area according to Chapter 23.58A, and the maximum residential height limit is the height limit for portions of a structure in residential use if the structure achieves bonus residential floor area according to Chapter 23.58A:

DOC1 Unlimited/450-unlimited

DOC2 500/300-550

DMC 340/290-440

DMC 240/290-440.

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

- a. Only one tower is permitted on the lot;
- b. Any additional floor area above the maximum height limit for non-residential or live-work use, as increased under this subsection 23.49.008.A.4, is occupied by residential use;
- c. The average residential gross floor area and maximum residential floor area of any story in the portion of the tower permitted above the base residential height limit do not exceed the limits prescribed in subsection 23.49.058.C.1;
- d. Any residential floor area allowed above the base residential height limit under this provision is achieved according to Chapter 23.58A;
- e. At least 35 percent of the lot area, or a minimum of 25,000 square feet, whichever is greater, is in open space use substantially at street level meeting the following standards, and subject to the following allowances for coverage:
 - 1) The location and configuration of the space shall enhance solar exposure, allow easy access to entrances to the tower serving all tenants and occupants from streets abutting the open space, and allow convenient pedestrian

circulation through all portions of the open space. The open space shall be entirely contiguous and physically accessible. To offset the impact of the taller structure allowed, the open space shall have frontage at grade abutting sidewalks, and be visible from sidewalks, on at least two streets. The elevation of the space may vary, especially on sloping lots where terracing the space facilitates connections to abutting streets, provided that grade changes are gradual and do not significantly disrupt the continuity of the space, and no part of the open space is significantly above the grade of the nearest abutting street. The Director may allow greater grade changes, as necessary, to facilitate access to transit tunnel stations.

2) Up to 20 percent of the area used to satisfy the open space condition to allowing additional height may be covered by the following features: permanent, freestanding structures, such as retail kiosks, pavilions, or pedestrian shelters; structural overhangs; overhead arcades or other forms of overhead weather protection; and any other features approved by the Director that contribute to pedestrian comfort and active use of the space. The following features within the open space area may count as open space and are not subject to the percentage coverage limit: temporary kiosks and pavilions, public art, permanent seating that is not reserved for any commercial use, exterior stairs and mechanical assists that provide access to public areas and are available for public use, and any similar features approved by the Director.

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

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

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

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

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

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

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

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

b. For residential floor area created by infill of a light well on a Landmark structure, the base height limit is the lesser of 170 feet or the highest level at which the light well is enclosed by the full length of walls of the structure on at least

three sides. For the purpose of this subsection 23.49.008.A.5.b, a light well is defined as an inward modulation on a non-street-facing facade that is enclosed on at least three sides by walls of the same structure, and infill is defined as an addition to that structure within the light well.

6. Restrictions on demolition and alteration of existing structures

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

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

Shafer Building / Sixth and Pine Building	515 Pine Street
Decatur Building	1521 6 th Avenue
Coliseum Theater Building	5th Avenue and Pike Street (northeast corner)
Northern Bank and Trust / Seaboard Building	1506 Westlake Avenue
((Liggett/Fourth and Pike Building	1424 4th Avenue
Great Northern Building	1404 4th Avenue
Joshua Green Building	1425 4th Avenue
Holland Building/MiKen Building	1417 4th Avenue))
Bon Marche (Macy's)	300 Pine Street

c. The restrictions in this subsection 23.49.008.A.6 are in addition to, and not in substitution for, the requirements of Chapter 25.12.

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

8. The height of rooftop features, as provided in subsection 23.49.008.D, is 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 extra floor area 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 extra floor area 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 the Director grants a waiver of such conditions, and the standards of Section 23.49.060 are satisfied.

10. On lots in a DMC-75 zone in areas eligible for residential height limit increase indicated on Map 1L the height limit is increased to 125 for development applications submitted before January 1, 2029, provided that only those portions of structures that contain only residential uses may exceed 75 feet.

* * *

C. Height in Downtown Mixed Residential (DMR) zones is regulated as follows:

1. A structure that contains only non-residential or live-work uses may not exceed the lowest height limit established on the Official Land Use Map, except for rooftop features permitted by subsection 23.49.008.D.

2. In DMR zones for which only two height limits are established, only those portions of structures that contain only residential uses may exceed the lower height limit, and they may extend to the higher height limit established on the Official Land Use Map, except that:

a. For development applications submitted before January 1, 2029, in eligible DMR zones as indicated on Map 1L for which the higher height limit established on the Official Land Use Map is 95 feet the higher height limit is increased to 145 feet, and within the infill housing focus areas the higher height limit is further increased to 245 feet, provided that in either case only those portions of structures that contain only residential uses may exceed the lower height limit; and

b. For development applications submitted before January 1, 2029, in eligible DMR zones as indicated on Map 1L for which the higher height limit established on the Official Land Use Map is 145 feet the higher height limit is increased to 245 feet provided that only those portions of structures that contain only residential uses may exceed the lower height limit.

3. On lots in the DMR/C 75/75-170 zone, the base height limit is 75 feet, and it is the applicable height limit for all structures, except that:

a. The applicable height limit is 85 feet if the applicant qualifies for extra floor area under Section 23.49.023 and Chapter 23.58A, the structure has no non-residential or live-work use above 75 feet, and the structure does not qualify for a higher height limit under this subsection 23.49.008.C.3.

b. The applicable height limit is 170 feet if the applicant qualifies for extra floor area under Section 23.49.023 and Chapter 23.58A; the structure has no non-

residential or live-work use above 75 feet; the lot includes all or part of a mid-block corridor that satisfies the conditions of Section 23.58A.040, except to the extent any waiver of such conditions is granted by the Director; and the standards of subsection 23.49.156.B and Section 23.49.163 are satisfied.

4. On lots in the DMR/C 75/75-95 zone, the base height limit is 75 feet, and it is the applicable height limit for all structures, except that the applicable height limit is 95 feet if the applicant qualifies for extra floor area under Section 23.49.023 and Chapter 23.58A and the structure has no non-residential or live-work use above 75 feet.

5. On lots in the DMR/R 95/65 zone:

a. A height limit of 95 feet applies to the portions of a structure that contain residential or lodging uses.

b. A height limit of 65 feet applies to the portions of a structure that contain non-residential uses (excluding lodging uses).

* * *

Section 5. A new Map 1L, Eligible Areas For Residential Height Limit Increase, as shown on Attachment 1 attached to this ordinance, is added to Chapter 23.49 of the Seattle Municipal Code.

Section 6. Section 23.49.011 of the Seattle Municipal Code, last amended by Ordinance 127198, is amended as follows:

23.49.011 Floor area ratio

* * *

B. Exemptions and deductions from FAR calculations

1. The following are not included in chargeable floor area, except as specified below in this Section 23.49.011:

a. Uses listed in subsection 23.49.009.A in a DRC zone and in the Major Retail Store and Shopping Atrium FAR Exemption Area identified on Map 1J of Chapter 23.49, up to a maximum FAR exemption of 2 for all such uses combined; and other uses provided according to Section 23.42.041 in the FAR Exemption Area identified on Map 1J for those uses (excluding the Pike Place Market Historical District), up to a maximum FAR exemption of 2; provided that for uses in the FAR Exemption Areas that are not in the DRC zone the uses are located no higher than the story above street level;

b. Street-level uses meeting the requirements of Section 23.49.009, Street-level use requirements, whether or not street-level use is required pursuant to Map 1G of Chapter 23.49, if the uses and structure also satisfy the following standards:

1) The street level of the structure containing the exempt space has a minimum floor-to-floor height of 13 feet, except that in the DMC 170 zone the street level of the structure containing the exempt space has a minimum floor-to-floor height of 18 feet;

2) The exempt space extends a minimum depth of 15 feet from the street-level, street-facing facade, except as allowed by interim street activation provisions in Section 23.42.041;

3) For the purposes of subsection 23.49.011.B.1, for floor area above street level, changes from residential use to commercial uses provided for

interim street activation purposes are subject to mandatory housing affordability pursuant to subsection 23.58B.020.B;

4) Overhead weather protection is provided satisfying Section 23.49.018; and

5) A mezzanine within a street-level use is not included in chargeable floor area, if the mezzanine does not interrupt the floor-to-floor heights for the minimum depth stated in subsection 23.49.011.B.1.b.2, except as allowed by interim street activation provisions in Section 23.42.041. Stairs leading to the mezzanine are similarly not included in chargeable floor area;

c. Shopping atria in the DRC zone and adjacent areas shown on Map 1J, provided that:

1) The minimum area of the shopping atria is 4,000 square feet;

2) The eligibility conditions of the Downtown Amenity Standards are met; and

3) The maximum area eligible for a floor area exemption is 20,000 square feet;

d. Child care centers;

e. Human service use;

f. Residential use, except in the PMM zone, and provided that allowable residential floor area is limited on lots from which TDP is transferred in accordance with Chapter 23.58A;

g. Live-work units, except in the PMM zone;

h. Museums, provided that the eligibility conditions of the
Downtown Amenity Standards are met;

i. The floor area identified as expansion space for a museum, if
such expansion space satisfies the following:

1) The floor area to contain the museum expansion space is
owned by the museum or a museum development authority; and

2) The museum expansion space will be occupied by a
museum, existing as of October 31, 2002, on a Downtown zoned lot; and

3) The museum expansion space is physically designed in
conformance with the Seattle Building Code standards for museum use either at the
time of original configuration or at such time as museum expansion is proposed;

j. Performing arts theaters;

k. Floor area below grade;

l. Floor area that is used only for:

1) Short-term parking or parking accessory to residential
uses, or both, subject to a limit on floor area used wholly or in part as parking accessory
to residential uses of one parking space for each dwelling unit on the lot with the
residential use served by the parking; or

2) Parking accessory to hotel use in the DMC 170 zone,
subject to a limit of one parking space for every four hotel rooms on the lot, and
provided that the exempt parking floor area is on the same lot as the hotel use served
by the parking;

m. Floor area of a public benefit feature that would be eligible for a bonus on the lot where the feature is located, other than a Landmark structure eligible pursuant to subsection 23.49.011.A.2.j or a small structure eligible pursuant to subsection 23.49.011.A.2.k. The exemption applies regardless of whether a floor area bonus is obtained, and regardless of limits on the maximum area eligible for a bonus;

n. Public restrooms;

o. Major retail stores in the DRC zone and adjacent areas shown on Map 1J, provided that:

1) The minimum lot area for a major retail store development is 20,000 square feet;

2) The minimum area of the major retail store is 80,000 square feet;

3) The eligibility conditions of the Downtown Amenity Standards are met;

4) The maximum area eligible for a floor area exemption is 200,000 square feet; and

5) The floor area exemption applies to storage areas, store offices, and other support spaces necessary for the store's operation;

p. Shower facilities for bicycle commuters;

q. Floor area, excluding floor area otherwise exempt, up to a maximum of 25,000 square feet on any lot, within one or more Landmark structures for which a floor area bonus has been granted pursuant to subsection 23.49.011.A.2.j, or within one or more small structures for which a floor area bonus has been granted

pursuant to subsection 23.49.011.A.2.k, or within any combination of such Landmark structures and such small structures, in each case only to the extent that the floor area satisfies the following criteria as determined by the Director:

1) The floor area is interior space of historic or architectural interest designed to accommodate the original function of the structure, and maintaining the integrity of this space prevents it from being fully utilized as commercial floor area;

2) The floor area is occupied by such uses as public assembly or performance space, human services, or indoor public amenities, including atrium or lobby area available for passive indoor recreation use or for the display of art or other objects of scientific, social, historic, cultural, educational, or aesthetic interest; and

3) The floor area is open and accessible to the public without charge, on reasonable terms and conditions consistent with the nature of the space, during normal operating hours of the building;

r. Up to 40,000 square feet of a streetcar maintenance base;

s. Up to 25,000 square feet of a community center in a DMR/C zone within South Downtown that is open to the general public for a minimum of six hours per day, five days per week, 42 weeks per year;

t. In the DMC 170 zone, hotel use that separates parking from the street lot line on stories above the first story of a structure, up to a maximum total floor area equivalent to 1 FAR, provided that the depth of the separation between the parking and the street-facing facade is a minimum of 15 feet;

u. In the DMC 170 zone, on lots abutting Alaskan Way, the floor area in a partially above-grade story, provided that:

1) The height of the above-grade portion of the partially above-grade story does not exceed 4 feet, measured from existing grade at the midpoint of the Alaskan Way street lot line;

2) All portions of the structure above the partially above-grade story are set back a minimum of 16 feet from the Alaskan Way lot line, except that horizontal projections, including balconies with open railings, eaves, cornices, and gutters, may extend a maximum of 4 feet into the setback area;

3) The roof of the portion of the partially above-grade story in the setback area is accessible to abutting required street-level uses in the structure and provides open space or space for activities related to abutting required street-level uses, such as outdoor dining;

4) Pedestrian access is provided from an abutting street to the roof of the portion of the partially above-grade story in the setback area; and

5) Up to 50 percent of the roof of the portion of the partially above-grade story in the setback area may be enclosed to provide weather protection, provided that the height of any feature or structure enclosing the space shall not exceed 20 feet, measured from the roof of the partially above-grade story;

v. Up to a maximum of 50,000 square feet of the floor area occupied by a City facility, including but not limited to fire stations and police precincts, but not a City facility predominantly occupied by office use;

w. Parking uses if:

- 1) The parking use sought to be exempted was legally established as of February 8, 2015;
 - 2) The parking is in a structure that existed on January 1, 1980;
 - 3) The structure is located west of Third Avenue in a DMC zone;
 - 4) A minimum of 50 percent of the parking spaces will be available to the general public as short-term parking;
 - 5) The existing structure and any proposed additions meet or are modified to meet the street-level use requirements of Section 23.49.009;
 - 6) The existing structure and any proposed additions are subject to administrative design review regardless of whether administrative design review is required pursuant to Chapter 23.41; and
 - 7) Any addition of non-exempt floor area to the existing structure is developed to LEED Gold standards; and
- x. Floor area for an elementary school or a secondary school, except on lots zoned DRC, which may include minimum space requirements for associated uses including but not limited to academic core functions, child care, administrative offices, a library, maintenance facilities, food service, interior recreation, and specialty instruction space, provided that:
- 1) Prior to issuance of a Master Use Permit, the applicant shall submit a letter to the Director from the operator of the school indicating that, based

on the Master Use Permit plans, the operator has determined that the development could meet the operator's specifications; and

2) Prior to issuance of a building permit, the applicant shall submit a written certification by the operator to the Director that the operator's specifications have been met.

y. 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.

z. In ~~((the))~~ DMR(~~(R-95/65))~~ zones, lodging uses. This exemption from FAR limits does not apply to lodging uses created by converting residential uses to lodging uses in existing structures.

Section 7. Section 23.49.036 of the Seattle Municipal Code, last amended by Ordinance 127375, is amended as follows:

23.49.036 Planned community developments (PCDs)

* * *

F. Evaluation of PCDs. A proposed PCD shall be evaluated on the basis of public benefits provided, possible impacts of the project, and consistency with the standards contained in this subsection 23.49.036.F.

1. Public benefits. A proposed PCD shall address the priorities for public benefits identified through the process outlined in subsection 23.49.036.B. The PCD shall include at least three of the following elements:

- a. Low-income housing,
- b. Townhouse development,
- c. Historic preservation,
- d. Public open space,
- e. Improvements in pedestrian circulation,
- f. Improvements in urban form,
- g. Improvements in transit facilities,
- h. Green stormwater infrastructure beyond the requirements of the

Stormwater Code (Chapters 22.800 through 22.808), ((~~o~~))

- i. Employment training or job placement for adults.
- j. Employment training or vocational education for youths.
- k. Processing of donated materials for reuse or recycling, or
- l. Other elements that further an adopted City policy and provide a

demonstrable public benefit.

2. Potential impacts. The Director shall evaluate the potential impacts of a proposed PCD including, but not necessarily limited to, the impacts on housing, particularly low-income housing, transportation systems, parking, energy, and public services, as well as environmental factors such as noise, air, light, glare, public views, and water quality.

3. The Director may place conditions on the proposed PCD in order to make it compatible with areas adjacent to Downtown that could be affected by the PCD.

4. When the proposed PCD is located in the Pioneer Square Preservation District or International District Special Review District, the Board of the District(s) in

which the PCD is located shall review the proposal and make a recommendation to the Department of Neighborhoods Director who shall make a recommendation to the Director prior to the Director's decision on the PCD.

* * *

I. Term. Expiration or renewal of a permit for the first phase of a PCD is subject to the provisions of Chapter 23.76. The applicant shall submit a phasing plan and the Director shall determine the expiration date of the PCD, which shall be no later than 15 years from the date of issuance. The expiration date shall be informed by the following factors:

1. Practical time period necessary to physically construct buildings, roads and infrastructure;

2. Documented information about the functional or operational plans of an organization or business for its future growth; and

3. Current and forecasted information about real estate markets.

J. Change to an approved PCD

1. When an amendment to a Master Use Permit with a PCD component is requested, the Director shall determine whether the amendment is minor or not. A minor amendment is one for which:

a. There is substantial compliance with the approved site plan and conditions imposed in the existing Master Use Permit with the PCD component, with no substantial change in the mix of uses and no major increase in the bulk and scale of structures originally proposed; and

b. No significantly greater impact would occur.

2. If the Director determines that the amendment is minor, the Director may approve a revised site plan as a Type I decision, in which case the Master Use Permit expiration date of the original approval shall be retained.

3. If the Director determines that the amendment is not minor, the applicant may either continue under the existing PCD approval or may submit a revised PCD application. The revised application shall be the subject of a Type II decision. The decision may retain or extend the existing expiration date on the portion of the site affected by the revision.

Section 8. Section 23.49.058 of the Seattle Municipal Code, last amended by Ordinance 127099, is amended as follows:

23.49.058 Downtown Office Core 1, Downtown Office Core 2, and Downtown Mixed Commercial upper-level development standards

* * *

C. Tower floor area limits and tower width limits for portions of structures in residential use. The requirements of this subsection 23.49.058.C apply only to structures that include portions in residential use above a height of 160 feet, and do not apply in the DMC 170 zone.

1. Maximum limits on average residential gross floor area per story and maximum residential floor area per story of towers are prescribed in Table B for 23.49.058.

Table B for 23.49.058 – 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)) <u>11,000</u> square feet	((10,700)) <u>11,800</u> square feet	((11,500)) <u>12,700</u> 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.

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

b. For structures that exceed the base height limit for residential use according to Chapter 23.58A, the average residential gross floor area per story of each tower is subject to the applicable maximum limit specified in column (3) on Table B for 23.49.058.

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

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

2. Maximum tower width

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

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

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

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

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

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

D. Tower spacing in DMC zones

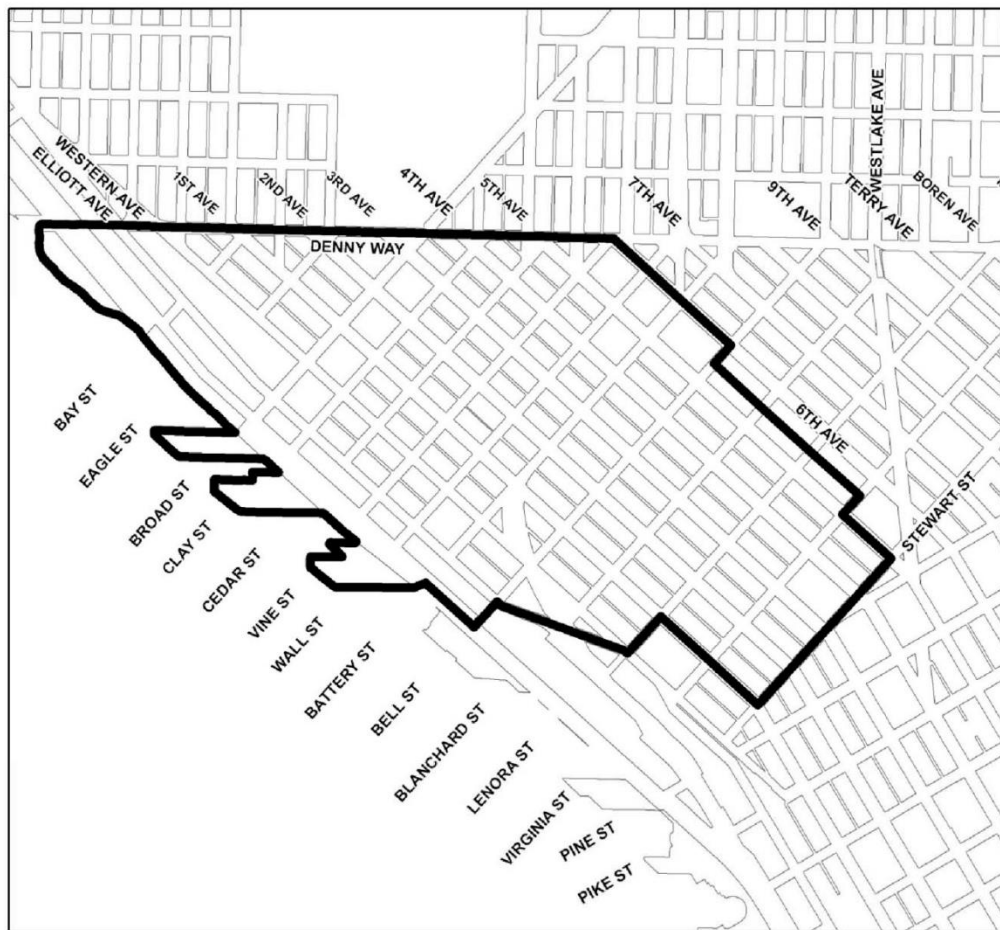
1. The requirements of this subsection 23.49.058.D apply to all structures over 160 feet in height in DMC zones, excluding DMC 170 zones, except that no separation is required:

- a. Between structures on different blocks, except as may be required by view corridor or designated green street setbacks; or
- b. From a structure on the same block that is not located in a DMC zone; or
- c. From a structure allowed pursuant to the Land Use Code in effect prior to May 12, 2006; or
- d. From a structure on the same block that is 160 feet in height or less, excluding rooftop features permitted above the applicable height limit for the zone pursuant to Section 23.49.008; or
- e. From a structure in a DMC 170.

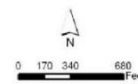
2. Except as otherwise provided in this subsection 23.49.058.D, in the DMC 240/290-440 zone located between Stewart Street, Union Street, Third Avenue, and First Avenue, if any part of a tower exceeds 160 feet in height, then all portions of the tower that are above 125 feet in height shall be separated from any other existing tower that is above 160 feet in height, and the minimum separation required between towers from all points above the height of 125 feet in each tower is 60 feet.

3. Except as otherwise provided in this subsection 23.49.058.D, in a DMC zone with a mapped height limit of more than 170 feet located either in Belltown, as shown on Map A for 23.49.058, or south of Union Street, if any part of a tower exceeds 160 feet in height, then all portions of the tower that are above 125 feet in height must be separated from any other existing tower that is above 160 feet in height, and the

**Map A for 23.49.058
Belltown**



— Belltown Boundary



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minimum separation required between towers from all points above the height of 125 feet in each tower is ~~((80))~~ 60 feet.

4. Except as otherwise provided in this subsection 23.49.058.D, in a DMC zone with a mapped height limit of more than 170 feet located in the Denny Triangle, as shown on Map A for 23.49.056, if any part of a tower exceeds 160 feet in height, then all portions of the tower that are above 125 feet in height must be separated from any other existing tower that is above 160 feet in height, and the minimum separation required between towers from all points above the height of 125 feet in each tower is 60 feet.

5. The projection of unenclosed decks and balconies, and architectural features such as cornices, shall be disregarded in calculating tower separation.

6. If the presence of an existing tower would preclude the addition of another tower proposed on the same block, as a special exception, the Director may waive or modify the tower spacing requirements of this Section 23.49.058 to allow a maximum of two towers to be located on the same block that are not separated by at least the minimum spacing required in subsections 23.49.058.D.2, 23.49.058.D.3, and 23.49.058.D.4, other than towers described in subsection 23.49.058.D.1. The Director shall determine that issues raised in the design review process related to the presence of the additional tower have been adequately addressed before granting any exceptions to tower spacing standards. The Director shall consider the following factors in determining whether such an exception shall be granted:

a. Potential impact of the additional tower on adjacent residential structures, located within the same block and on adjacent blocks, in terms of views, privacy, and shadows;

b. Aspects of the proposal that offset the impact of the reduction in required separation between towers, including the provision of public open space, designated green street or other streetscape improvements, and preservation of Landmark structures;

c. Potential impact on the public environment, including shadow and view impacts on nearby streets and public open spaces;

d. Design characteristics of the additional tower in terms of overall bulk and massing, facade treatments and transparency, visual interest, and other features that may offset impacts related to the reduction in required separation between towers;

e. The City's goal of encouraging residential development downtown; and

f. The feasibility of developing the site without an exception from the tower spacing requirement.

7. For purposes of this Section 23.49.058 a tower is considered to be "existing" and must be taken into consideration when other towers are proposed, under any of the following circumstances:

a. The tower is physically present, except that a tower that is physically present is not considered "existing" if the owner of the lot where the tower is located has applied to the Director for a permit to demolish the tower and provided that the no building permit for the proposed tower is issued until the demolition of the tower that is physically present has been completed;

b. The tower is a proposed tower for which a complete application for a Master Use Permit or building permit has been submitted, provided that:

1) The application has not been withdrawn or cancelled without the tower having been constructed; and

2) If a decision on that application has been published or a permit on the application has been issued, the decision or permit has not expired, and has not been withdrawn, cancelled, or invalidated, without the tower having been constructed.

c. The tower is a proposed tower for which a complete application for early design guidance has been filed and a complete application for a Master Use Permit or building permit has not been submitted, provided that the early design guidance application will not qualify a proposed tower as an existing tower if a complete Master Use Permit application is not submitted within 90 days of the date of the early design guidance public meeting if one is required, or within 90 days of the date the Director provides guidance if no early design meeting is required, or within 150 days of the first early design guidance public meeting if more than one early design guidance public meeting is held. Failure to file a complete Master Use Permit application within 12 months of filing a complete application for early design guidance or from the effective date of this ordinance shall disqualify a proposed tower from being considered an existing tower.

* * *

Section 9. Section 23.49.158 of the Seattle Municipal Code, last amended by Ordinance 125371, is amended as follows:

23.49.158 Downtown Mixed Residential, coverage and floor size limits

A. Coverage

1. Except on lots located in DMR/R 95/65 zones, and except as provided in subsection 23.49.158.C, portions of structures above 65 feet shall not exceed the coverage limits in Table A for 23.49.158:

Table A for 23.49.158 – Percent coverage permitted by lot size

Elevation of portion of structure (in feet)	0—19,000 square feet	19,001—25,000 square feet	25,001—38,000 square feet	Greater than 38,000 square feet
65 or less	100%	100%	100%	100%
Greater than 65 up to 85 ⁽¹⁾	75%	65%	55%	45%
Greater than 85 up to 145 ⁽¹⁾	65%	55%	50%	40%
Greater than 145 up to 280 ⁽¹⁾	Not applicable	45%	40%	35%

Footnote to Table A for 23.49.158

(1) The percent coverage permitted is five percentage points more than the number indicated in the row of the table, for development applications in the area north of Lenora Street and west of 4th Avenue that are submitted before January 1, 2029.

2. In order to meet the coverage limits, a lot may be combined with one or more abutting lots, whether occupied by existing structures or not, provided that:

a. The coverage of all structures on the lots does not exceed any of the applicable limits set in this subsection 23.49.158.A; and

b. The fee owners of the abutting lot(s) execute a deed or other agreement, recorded with the King County Recorder's Office as an encumbrance on the lots, that restricts future development so that in combination with the other lots, the coverage limits will not be exceeded.

B. Story size. Each story in portions of structures above 145 feet in height shall have a maximum gross floor area of 8,800 square feet, except that for development applications north of Lenora Street and west of 4th Avenue that are submitted before January 1, 2029 the maximum gross floor area is 10,700 square feet.

* * *

Section 10. The Official Land Use Map, Chapter 23.32 of the Seattle Municipal Code, is amended to rezone properties identified on pages 60, 76, 109, 112, and 188 of the Official Land Use Map as shown on Attachments 2, 3, 4, 5 and 6 attached to this ordinance.

Attachments:

Attachment 1 – Eligible Areas For Residential Height Limit Increase

Attachment 2 – Fremont / Stone Way Rezone Map

Attachment 3 – Downtown Retail Core Rezone Map

Attachment 4 – University District Rezone Map

Attachment 5 – Rainier Beach Rezone Map

Attachment 6 – Madison / Miller Rezone Map

This ordinance shall take effect as provided by Seattle Municipal Code Sections
1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its
passage on _____.

President _____ of the City Council

_____ on _____.

Katie B. Wilson, Mayor

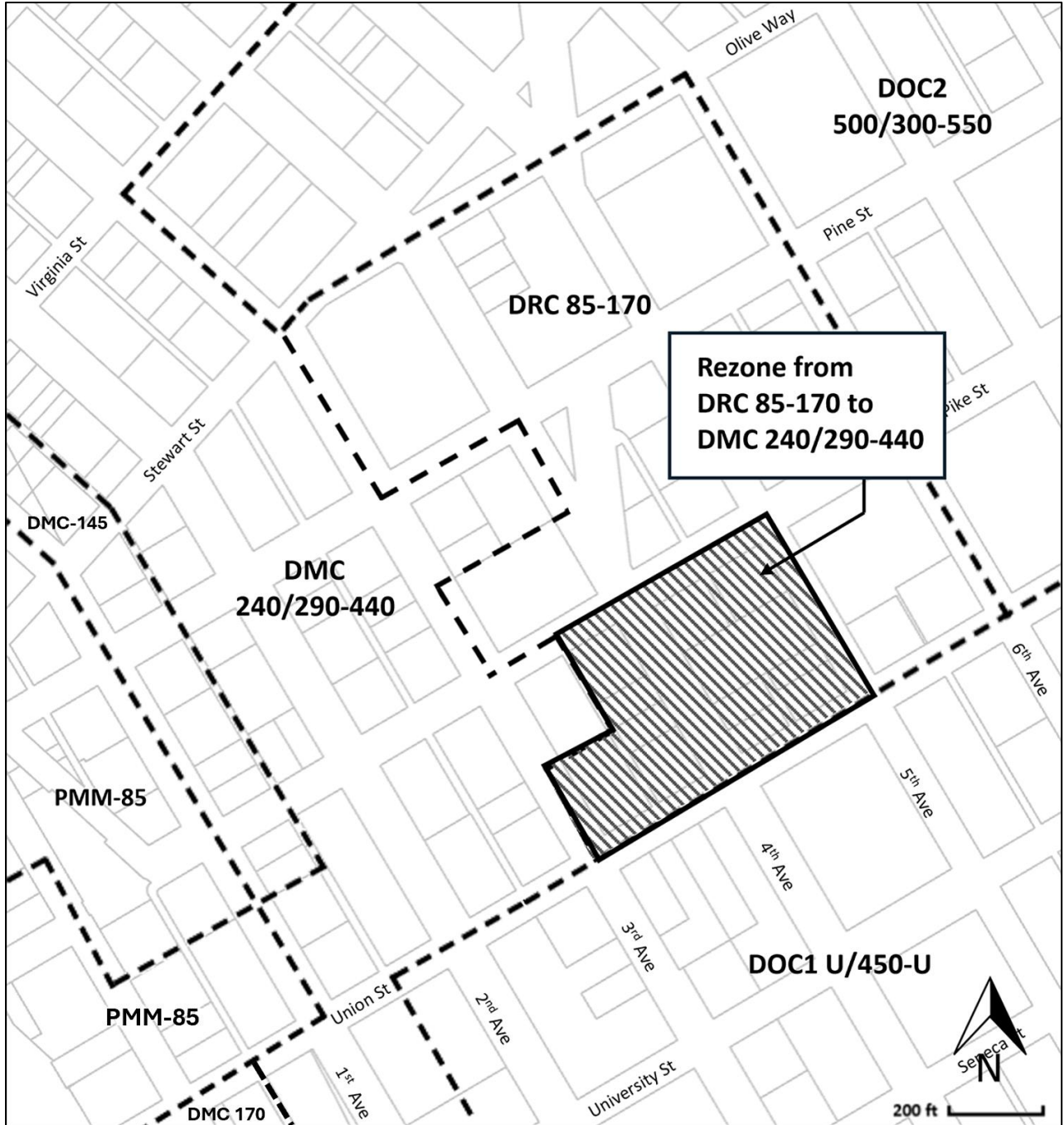
Attested on _____.

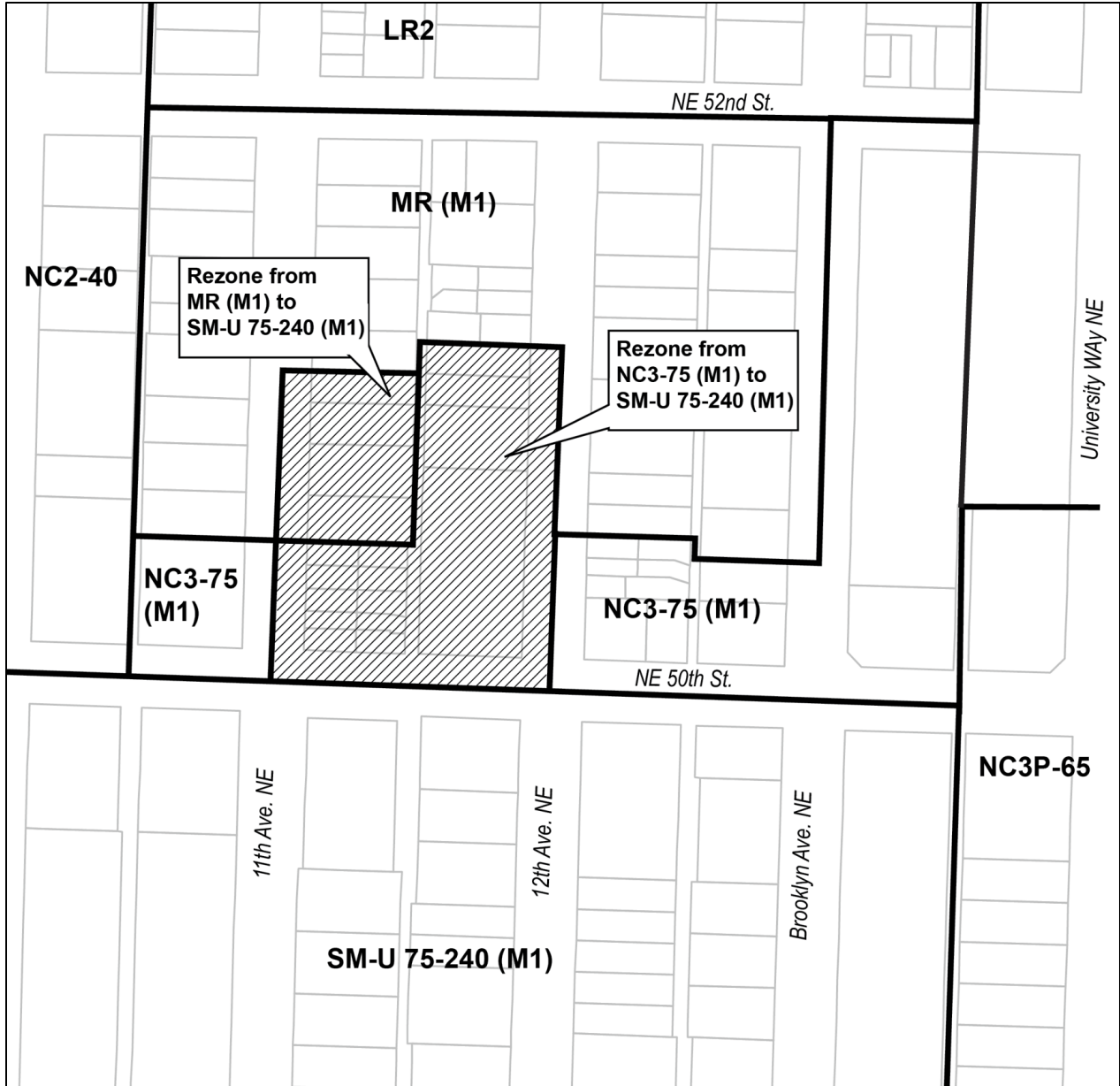
Scheereen Dedman, City Clerk

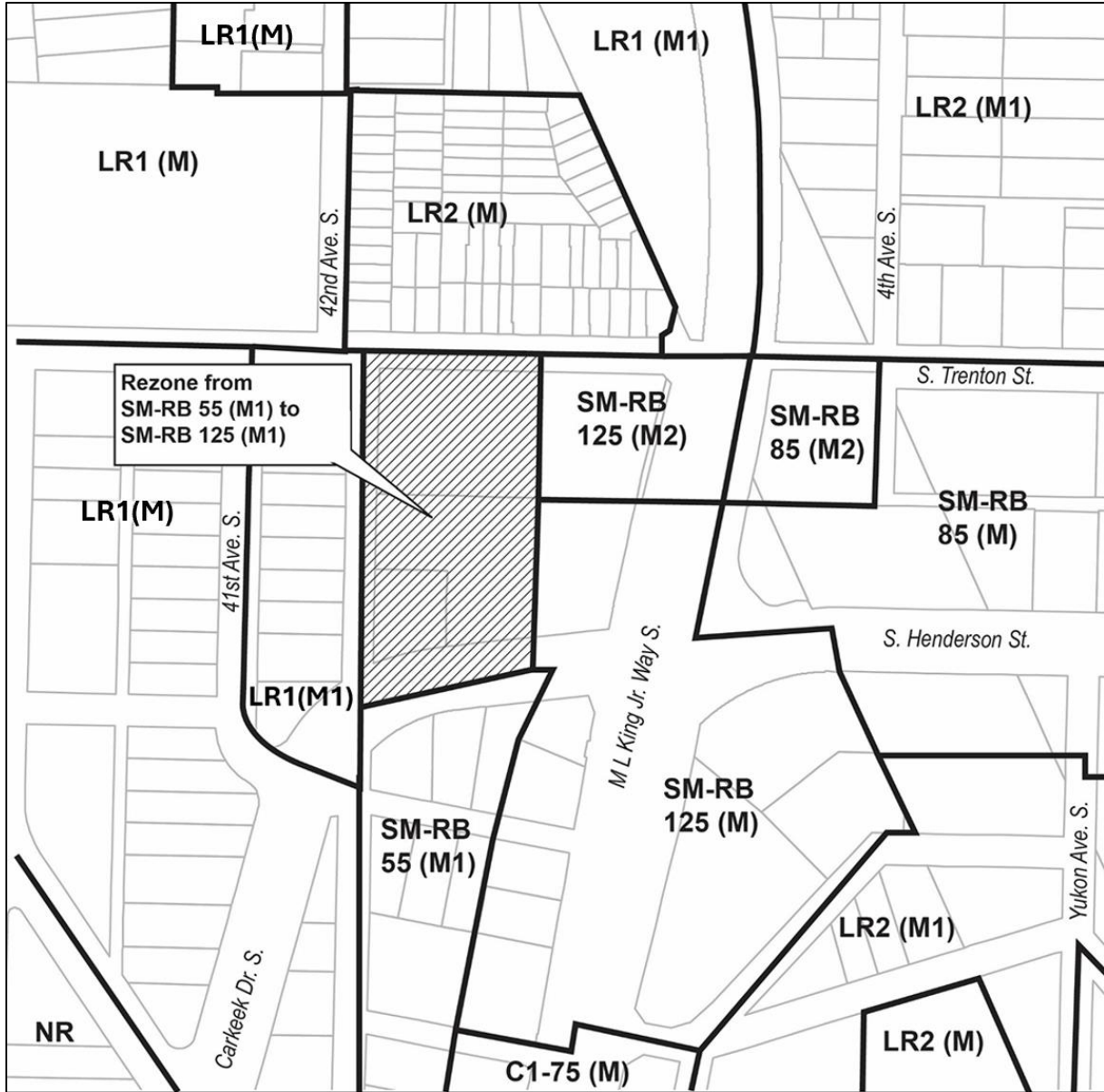
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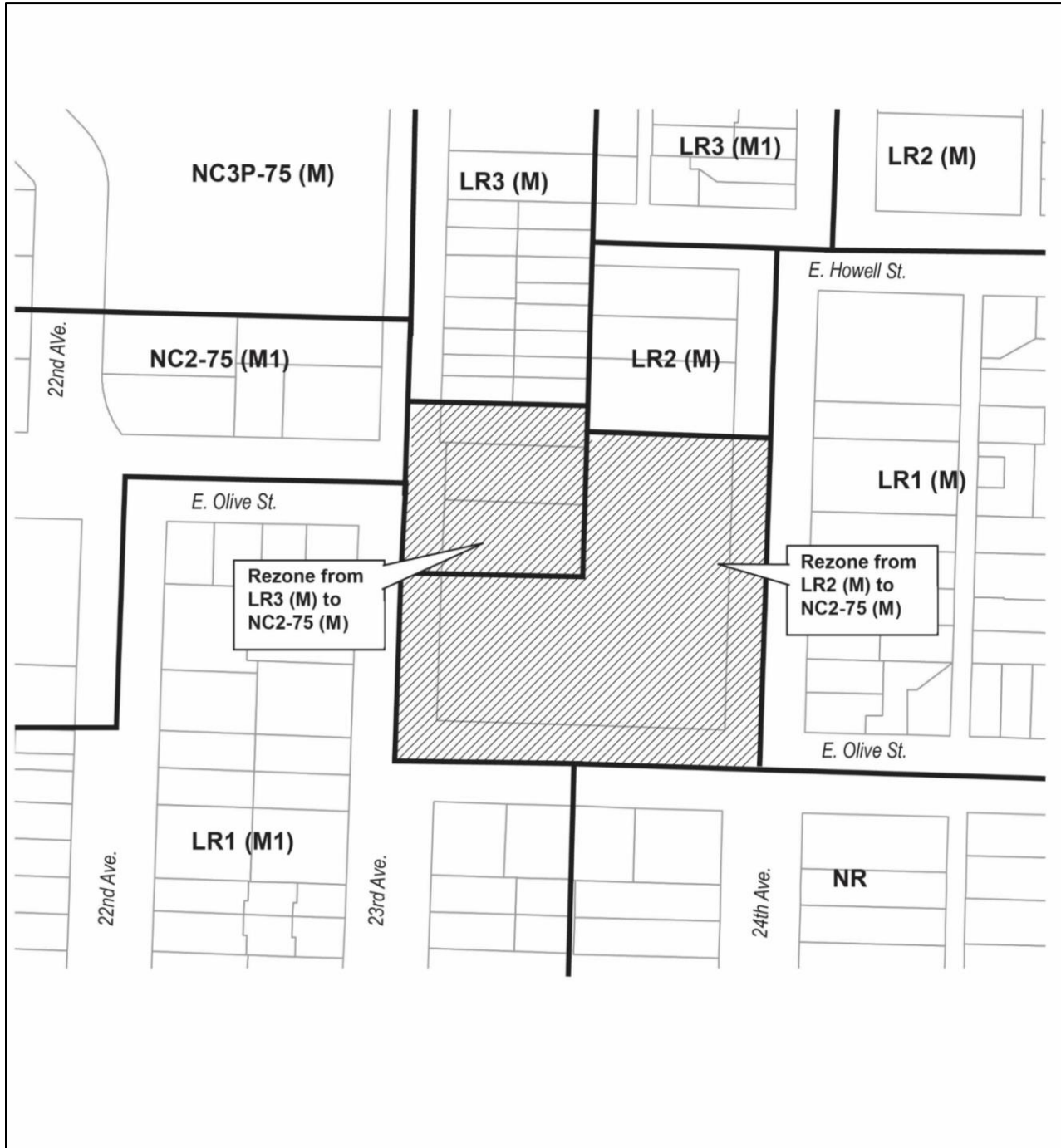












Summary and Fiscal Note

1. Legislation Summary

Department: Office of Planning and Community Development

Title: An ordinance relating to land use and zoning; rezoning certain land in the University District, the Fremont neighborhood, the Madison/Miller neighborhood, the Rainier Beach neighborhood, and the Downtown neighborhood; rezoning land and amending development standards to increase housing supply, support multi-purpose redevelopment on certain sites with community-based uses, remove code barriers to passive house, modular, and mass timber construction and to conversion from commercial space to housing in more zones, and incentivize community-serving uses along with the construction of more housing in certain areas; amending Sections 23.40.080, 23.47A.009, 23.49.008, 23.49.011, 23.49.036, 23.49.058, and 23.49.158 of the Seattle Municipal Code; adding a new Section 23.40.090 to the Seattle Municipal Code; adding a new Map 1L to Chapter 23.49 of the Seattle Municipal Code; and amending Chapter 23.32 of the Seattle Municipal Code at pages 60, 76, 109, 112, and 188 of the Official Land Use Map.

Background: This legislation changes the City's land use code and zoning to support near-term investment in additional housing supply. The City is working to dramatically expand housing production, choice and affordability through its Seattle Comprehensive Plan update and implementing zoning changes that will occur over the next year. There is also a need to increase housing production now, while broader changes make their way through the process.

This legislation is focused on areas that have unique opportunities to create new housing production without causing displacement pressure. These changes include affordable housing through application of the City's Mandatory Housing Affordability (MHA) requirements. In total, the legislation is projected to generate an additional 3,000 – 4,000 new homes in the next decade.

This legislation consists of seven components:

- Fremont / Stone Way Rezone – Rezones land at the southern end of the Stone Way corridor, from the Industrial Commercial zone with a 65-foot height limit (IC-65) to the Neighborhood Commercial 3 zone with a 75-foot height limit (NC3-75), to unlock infill housing opportunities near major employment centers.
- Downtown Retail Core (DRC) Expansion – Expands an existing 2023 rezone along Union Street, from the existing Downtown Retail Core (DRC) zone to the Downtown Mixed Commercial (DMC 240/290-440) zone, to allow residential towers and incentivize adaptive reuse of underutilized office buildings for housing.
- Community-Based Uses Rezone Sites – Rezones and amends development standards for areas that include ownership by nonprofit and public entities in Rainier Beach, the University District, and Madison/Miller, and adjusts Planned Community Development (PCD) standards to facilitate redevelopment on larger nonprofit-owned parcels.
- Removes code barriers to passive house, modular and mass timber construction – Second Substitute House Bill (2SHB) 1183 adopted during the 2025 State legislative session calls on cities to amend their zoning codes to remove façade modulation and upper-level setback requirements for buildings constructed using passive house, modular, or mass timber construction, and for affordable housing. Although these changes are not required for five years, this legislation implements them now as a measure to spur housing production using innovative construction methods.
- Belltown Zoning Changes – Increases height limits for residential uses by 50–100 feet and makes related adjustments to development standards in Belltown. These changes would be time-limited (three years), pending broader Downtown planning updates.
- Removes code barriers to conversion from commercial space to housing in more zones. During 2024, the City passed legislation removing zoning barriers to the conversion of existing commercial structures to housing. That legislation focused on downtown and other zones with a lot of commercial and office uses. However, the State legislation, (HB 1042) calls on cities to remove barriers in all zones that allow housing. This legislation makes technical changes to add Lowrise (LR) and Neighborhood Residential (NR) to the list of zones that have development standards waivers for conversion of existing commercial structures to housing.
- Lake City – Incentivize grocery store retention and housing. Grocery and pharmacy closures are causing the neighborhood to lose convenient access to food and medicines. To encourage inclusion of grocery and pharmacy space in new developments, in Neighborhood Commercial 55 (NC-55) zones in Lake City, this legislation provides height limit exceptions of up to 30 feet for development on very large sites only (exceeding 100,000 square feet) and provides a floor area ratio (FAR) bonus of 2.0, for development that includes a grocery, pharmacy, or other community-supportive uses on site, and 200 or more homes.

Summary Attachments:

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

Yes

No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

Yes

No

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

No significant financial impacts are anticipated. Minor one-time cost impacts are described below.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

Implementation will require coordination with the Seattle Department of Construction and Inspections (SDCI) to update zoning maps, modify permit-tracking systems, and update GIS and municipal code data. The scope of work includes:

- Updating zoning maps for Fremont, Downtown Retail Core, University District, Madison/Miller, Rainier Beach, and Belltown.
- Training permit review staff about code changes that waive certain development standards for mass timber, modular, and Passive House construction.
- Training permit review staff about the extensions of development standards waivers for conversion of commercial structure to housing in LR and NR zones.
- Training permit review staff about the specialized development standards that will apply in the Lake City area.

SDCI estimates that the mapping changes will require approximately 25 hours of GIS and system work to update Geocortex, Accela, public GIS layers, and Municode, resulting in a total cost of \$3,500 at \$140/hour. The training of permit review staff will occur during ongoing monthly interdepartmental code coordination meetings. These costs can be absorbed within the workloads of existing staff, but they are costs not covered by permit revenues and must be covered by hours billed to the General Fund.

c. What financial costs or other impacts might happen if this legislation is not implemented?

None.

d. How might this legislation affect other City departments besides the one that proposed it?

The legislation primarily affects SDCI which will incorporate the code amendments into permit review and tracking systems and will make mapping amendments. No additional staffing or ongoing costs are anticipated.

4. Other Impacts

a. Does this legislation require a public hearing?

Yes

No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

Yes

No

OPCD issued a SEPA Determination of Non-Significance (DNS) on September 22, 2025, and a Revised DNS on October 14, 2025, both of which were published in the Daily Journal of Commerce and the City's Land Use Information Bulletin. A public hearing notice will also be published in the DJC and the LUIB at least 30 days prior to a City Council public hearing on the proposal.

c. Does this legislation affect a piece of property?

Yes, the ordinance includes amendments to the Official Land Use Map for multiple rezone areas in Fremont, the Downtown Retail Core, the University District,

Madison/Miller, Rainier Beach, Belltown, and Lake City. See attached Director's Report for zoning maps.

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

This legislation is not expected to have adverse impacts on vulnerable or historically disadvantaged communities. This legislation focuses on areas with strong access to transit, services, and existing infrastructure, and is designed to expand overall housing opportunities while minimizing displacement risk.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

None.

3. What is the Language Access Plan for communicating with the public about this legislation?

No separate language access plan is anticipated. Should future public materials or engagement occur related to implementation, OPCD and SDCI will follow the City's existing Language Access policies to ensure accessibility for limited-English-proficient residents.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

This legislation is not expected to materially increase carbon emissions. It does not alter the City's Energy Code or building energy performance requirements. Individual projects subject to this legislation will continue to be reviewed under applicable codes at the permit stage. In cases where older buildings are converted to housing, upgrades to building systems and envelopes are expected to reduce energy use and greenhouse gas emissions. This legislation does not substantially affect vehicle trip generation because it primarily affects existing developed areas. This legislation is intended to provide more housing in the City. To the extent more housing is provided closer to employment centers the legislation could potentially decrease overall emissions compared to the absence of the legislation if fewer or shorter trips between housing and jobs are a result of the legislation.

2. **Resiliency:** Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

The legislation is not expected to increase or decrease Seattle's overall resiliency in a material or significant way.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

N/A.

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No.

Housing Opportunities Zoning Amendments



Director's Report and Recommendation
Office of Planning and Community Development
March 2026

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Introduction

The City of Seattle is continuing to address the challenges many community members face finding a home that is affordable and available to them. This proposed legislation would make changes to the City's land use code and zoning to support near-term investment in additional housing supply to bring more homes online sooner. The City is working to dramatically expand housing production, choice and affordability through its Seattle Comprehensive Plan update and implementing zoning that will occur over the next months and year. There is also a need to increase housing production now, while broader changes make their way through the process.

The proposed legislation would amplify housing production on sites and in areas that are well-positioned to spur new housing development in the shorter term. The proposed legislation is focused on opportunity areas that have unique advantages to receive new housing production without causing displacement pressure. The proposed legislation has strong potential to result in housing developments entering the permitting pipeline in the next one to three years. The proposed changes would include affordable housing through application of the City's Mandatory Housing Affordability (MHA) requirements.

This proposed legislation has seven components. The package includes zoning map changes (rezones), and amendments to development standards that would create practical efficiencies for construction intending to spur stalled or potential housing developments forward. Components of the legislation are listed below and fully described and analyzed in subsections of this report.

Fremont / Stone Way rezone: Rezone land at the southern end of the Stone Way corridor in Fremont to unlock infill housing production adjacent to a cluster of major Seattle-based employers.

Expanded Downtown Retail Core (DRC) rezone: Expand the area of a 2023 rezone in the center of Downtown along Union St. Rezone from the existing Downtown Retail Core (DRC) zone to the Downtown Mixed Commercial (DMC 240/290-440) zone. The change would allow residential towers

where they are not allowed today and incentivize the potential conversion of several underused historic-aged office structures to housing. The action would also make minor amendments to the DMC zones concerning tower spacing and maximum floor plate size to increase feasibility of tower construction in the zone.

Rezone land and amend development standards to support multi-purpose redevelopment on sites with community-based uses. Recently the City rezoned the site of the former Lake City Community Center to support higher density redevelopment with a new community center and City-funded affordable housing. This proposed legislation would expand the approach to facilitate similar mixed-use developments of sites owned by public or nonprofit actors. Such sites would be encouraged to redevelop with revitalized community facilities combined with increased amounts of housing. The legislation would rezone areas with sites owned by charitable organizations in the Madison / Miller, Rainier Beach and University District neighborhoods, and would amend the City's Planned Community Development (PCD) regulations to make redevelopment more viable on large sites owned by nonprofit agencies, such as the Goodwill site on South Dearborn Street.

Remove code barriers to passive house, modular and mass timber construction. Second Substitute House Bill (2SHB) 1183, which passed during the 2025 State legislative session calls on cities to amend their zoning codes to remove façade modulation and upper-level setback requirements for buildings constructed using passive house, modular, or mass timber construction, and for affordable housing. Although these changes are not required for five years the City's proposed legislation would implement them now as a measure to spur housing production using innovative construction methods.

Increase height limits and modify development standards to encourage more housing in Belltown. While most of Downtown has received major upzones in the last 25 years, zoning in Belltown has had minimal increases since 1985. Outdated zoning parameters create inefficiencies for development and may be constraining infill housing in a relatively strong housing market area. This proposed legislation would increase height limits for residential uses by 50 to 100 feet and make other minor adjustments to coverage and story size limits to encourage moderate scale residential towers. The changes would be in Belltown only for a 3-year period until broader changes to Downtown zoning could be made following adoption of a new Downtown Subarea Plan.

Remove code barriers to conversion from commercial space to housing in more zones. During 2024 the City passed legislation to remove zoning barriers associated with the conversion of existing commercial structures to housing. That legislation focused on downtown and other zones with a lot of commercial and office uses. However, 2023 State legislation (House Bill 1042) calls on cities to remove barriers in all zones that allow housing. The proposed legislation makes technical changes to add Lowrise (LR) and Neighborhood Residential (NR) to the list of zones that have development standards waivers for conversion of existing commercial structures to housing.

Lake City - Incentivize grocery store retention and housing. Grocery and pharmacy closures are causing the neighborhood to lose convenient access to food and medicines. To encourage inclusion of essential community-serving uses in new developments, in Neighborhood Commercial 55 (NC-55) zones in Lake City, the proposed legislation would provide height limit exceptions of up to 30 feet and add a bonus floor area ratio (FAR) increment of 2.0 for development on very large sites only (exceeding 100,000

square feet) for development that includes any combination of grocery store, pharmacy, medical services, child care center, elementary or secondary school, community club, or community center uses with a minimum of 50,000 square feet of ground-level space that is accessible to the elderly and disabled and reserved for the life of the project, and includes at least 200 dwelling units.

Fremont / Stone Way Rezone

Background

The area along Stone Way within the Fremont Urban Center has seen significant changes in the past decade. Previously, the Stone Way corridor had a high concentration of repair and building supply services. In the last ten years large parcel sizes, rezones, and other factors have contributed to making the corridor an attractive location for multi-story mixed use developments with dense housing. The area is a strong housing market fueled by well-paying jobs in Fremont and the University District. Most of the light industrial and building supply uses along Stone Way have relocated.

At the south end of the Stone Way corridor, two innovative Seattle-based companies in the outdoor and athletic equipment sector have established major headquarters: Brooks Running, and Evo (a mountain bike, ski, snowboard, skate and surf supplier). The co-located companies have created a cluster of employment, knowledge, skills, and a network of interpersonal connections in the location. Beyond Seattle, Evo has expanded its physical presence to Salt Lake City and Japan. Brooks sells its running products all over the world, with most of its manufacturing taking place in Vietnam, Thailand and Mexico, while its corporate headquarters are in its building on Stone Way. Black Diamond Equipment and other outdoor-oriented retailers have recently added locations in the ground floor of the buildings where Brooks and Evo are based.

The campus-like setting includes a variety of recreation facilities and services including a basement skatepark, large indoor climbing gym (Bouldering Project), equipment repair and service shops, and street level restaurants and cafes. These facilities attract visitors and patrons. Buildings are designed with a very high level of sustainability. Structures occupied by Brooks and Evo are Living Building Pilot program buildings, with cutting edge sustainability features including on-site stormwater retention and construction with mass timber materials.

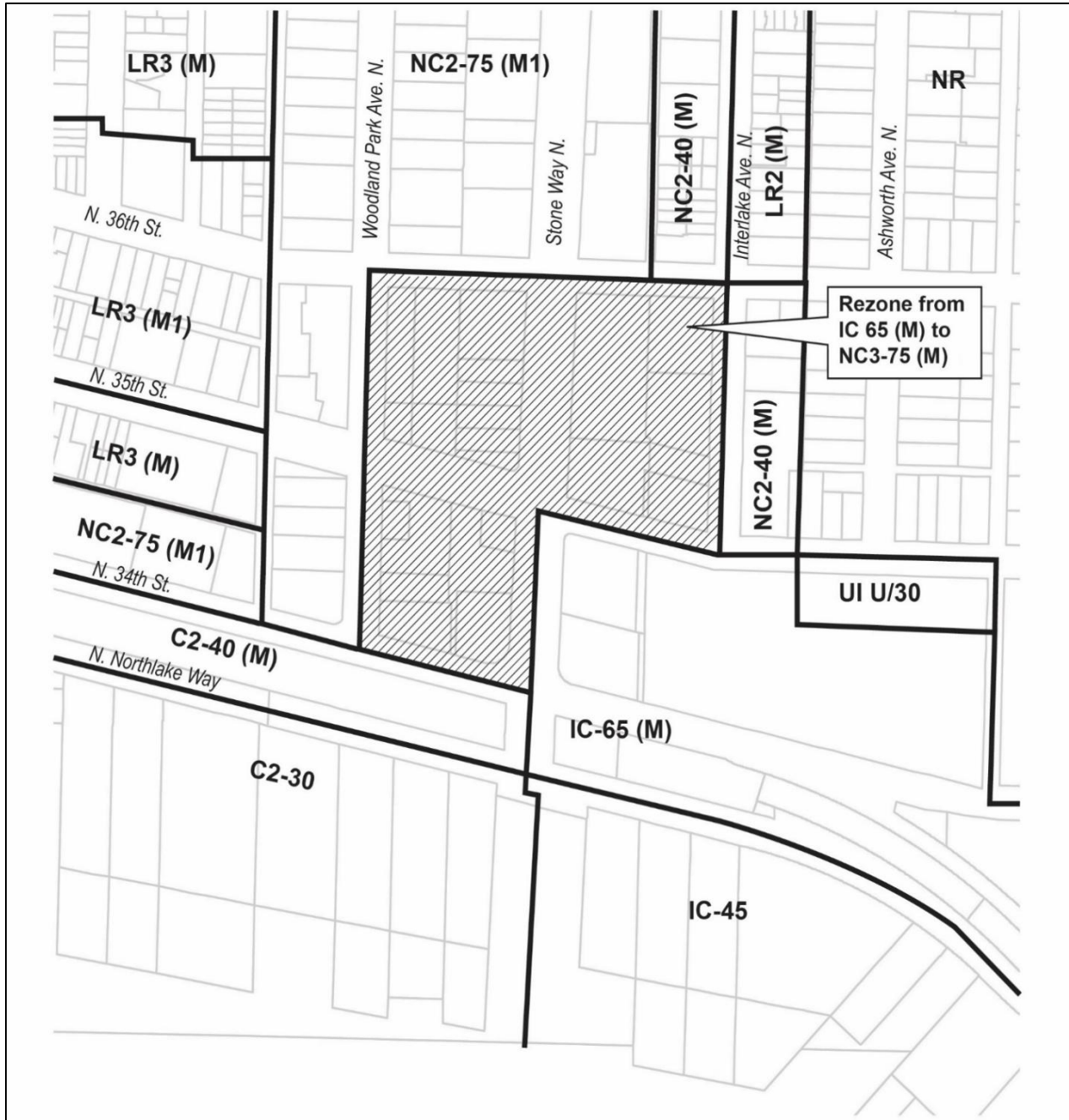
Together the companies base an estimated 1,000 employees within two contiguous city blocks, with plans for additional employment growth. The jobs span a very wide variety of income bands including executive, business and finance roles, product buyers, product design, and a wide variety of retail and service occupations.

Proposal

The proposed legislation would change the zoning map for three blocks at the south end of Stone Way within the Fremont Urban Center, including the block of the Brooks and Evo headquarters, from the Industrial Commercial (IC) zone with a 65 foot height limit (IC-65) to the Neighborhood Commercial (NC) 3 zone with a 75 foot height limit (NC3-75). In total the proposed rezone includes 5.1 acres, consisting of 23 parcels of land in private ownership by numerous landowners. (See the map of the rezone area and context map on the following pages.)

The overall massing and scale of potential development in the existing and the proposed zones is similar. The primary effect of this change is that the existing IC zone does not allow housing, and allows lodging as a conditional use, while these uses are allowed outright in the proposed NC zone.

FREMONT / STONE WAY PROPOSED REZONE MAP



ALLOWED AND PROHIBITED USES

Both the existing and proposed zones allow a broad range of commercial uses. There are a small number of substantive differences in allowed uses as summarized in the table below.

Allowed and Prohibited Uses Existing and Proposed Zones		
	IC-65 (Existing)	NC3-75 (Proposed)
Residential Uses	Prohibited	Allowed
Lodging	Conditional Use	Allowed
General Manufacturing	Allowed	Prohibited
Heavy Manufacturing	Conditional Use	Prohibited
Outdoor Storage	Allowed	Prohibited

The overall effect of the change in allowed uses would be to allow housing and lodging uses in the new NC3-75 zone. In addition, there would be a moderate difference in allowances for manufacturing uses and outdoor storage. These uses are allowed within the IC zone – a zone intended to support mixed commercial and industrial development – but they are prohibited in the NC3 zone. Manufacturing and outdoor storage uses are not currently present in the rezone area. Further differentiation between the intended use mix in the two zones is expressed in difference in maximum size of use limits for certain categories of uses, discussed below.

HEIGHT LIMITS

The table below summarizes the differences in the height limits between the existing IC-65 zone and the proposed NC3-75 zone.

IC-65 (Existing)	NC3-75 (Proposed)
<p>The height limit is 65 feet.</p> <p>Generally, 4-5 stories of commercial development would typically result in the zone.</p>	<p>The height limit is 75 feet.</p> <p>Typically, a total of 6 stories of development would be built in the zone consisting of 5 stories of wood-framed construction over a story of concrete base construction.</p>

The overall effect of the change to height limits is a moderate increase in allowable building height of 10 feet and potentially one additional story. It is notable that development under the proposal would be the same as recent construction in the Stone Way corridor which is directly north of the site in an NC-75 zone. The existing Brooks and Evo buildings built in the area used the Living Building Pilot Program to increase the height of those developments by 10 feet over the base height limit, for a total height 75 feet. Therefore, the proposed increase to the height limit would be fully consistent with context.

FLOOR AREA RATIO (FAR) LIMITS

The table below summarizes the differences in the Floor Area Ratio limits between the existing IC-65 zone and the proposed NC3-75 zone.

IC-65 (Existing)	NC3-75 (Proposed)
Maximum FAR: 2.75	Maximum FAR: 5.5
Key FAR Exemptions: <ul style="list-style-type: none"> Underground stories 	

The overall effect of the zone change with respect to FAR limits is a significant increase to the maximum allowed amount of floor area. The maximum FAR limit would double from 2.75 to 5.5. This change would support a much higher density of development within a similar overall building envelope. More floors of residential development are expected under the proposed zone than the floors of commercial development that would be expected under existing zoning. The change could support new buildings with a greater amount of mass and bulk within blocks of new development, with fewer breaks in building masses for features like courtyards.

MAXIMUM SIZE OF USES

The existing IC-65 zone and the proposed NC3-75 zone both contain maximum size of use limits for certain uses. The categories of size limited uses are different between the two zones as indicated in the table below. This is a summary focusing on substantive differences, not a comprehensive list.

Summary of Maximum Size of Use Limits Existing and Proposed Zones		
	IC-65 (Existing) <i>Code maximums are for non-industrial commercial uses</i>	NC3-75 (Proposed) <i>Code maximums are for nonresidential uses</i>
Entertainment	50,000 sq. ft.	No size limit
Lodging	75,000 sq. ft.	No size limit
Office	No size limit	No size limit
General Sales & Service	50,000 sq. ft.	No size limit
Restaurants and Drinking Establishments	No size limit	No size limit
Food processing and craft work	No size limit	25,000 sq. ft.
Heavy commercial sales	No size limit	25,000 sq. ft.
Wholesale showrooms	No size limit	25,000 sq. ft.
Warehouses	No size limit	25,000 sq. ft.

Light manufacturing	No size limit	25,000 sq. ft.
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The overall effect of the zone change with respect to maximum size of use is that the existing IC zone size-limits entertainment and general sales and service uses while the proposed zone does not, and several light industrial and manufacturing uses are size-limited in the proposed zone but not the existing zone.

MANDATORY HOUSING AFFORDABILITY (MHA)

Mandatory Housing Affordability (MHA) is proposed to apply to the rezone. The existing MHA suffix is the (M) level, as the site was upzoned as part of zoning changes across the city to increase height and capacity in 2019. Since the scale of development will be little changed under the existing and the proposed zone, the MHA suffix is proposed to remain at the (M) tier. MHA contribution amounts in new development are shown in the table below.

MANDATORY HOUSING AFFORDABILITY (MHA) REQUIREMENTS

	MHA (M) Tier	
	Performance % Affordable Units	Payment \$ / Sq. Ft.
Residential Development	6%	\$17.25
Commercial Development	5%	\$9.45
Notes: Table shows quantities for the MEDIUM cost area of the city where the rezone is located.		

Analysis

Comprehensive Plan Consistency

The proposed rezone area is within the Fremont Urban Center, a designated growth area in the Seattle Comprehensive Plan. The Seattle Comprehensive Plan directs a significant share of Seattle’s future housing and employment growth to urban centers and other mixed-use areas that are well served by transit, infrastructure, and services. These areas are intended to accommodate compact mixed-use development, support a concentration of housing and jobs, and foster environments that support walking, biking , and transit use.

The Fremont Urban Center is an established mixed-use area with access to frequent transit service, neighborhood services, and employment opportunities. The proposed rezone would allow additional mixed-use development and housing in this location, which is consistent with the Comprehensive Plan’s strategy of directing growth to designated centers where infrastructure, services, and transit are already available.

Allowing residential uses within the rezone area would support the Comprehensive Plan’s goals of increasing housing opportunities in mixed-use areas, encouraging infill development on underutilized sites, and promoting complete neighborhoods where residents can live near jobs, services, and transit.

It is important to note that the rezone area is not within the designated Manufacturing and Industrial Center (MIC). The existing zoning is the Industrial Commercial (IC) zone. During the 2023 Industrial and Maritime strategy process the City strengthened protections for industrial lands within MICs and limited opportunities for rezones out of industrial zones in MICs. A few areas of formerly industrial land outside of MICs were kept in the Industrial Commercial zone outside of MICs. The industrial land protections applied within MICs do not apply to zones outside of MICs.

For the proposed rezone, the City is the proponent and is conducting a comprehensive review of the issue. Out of an abundance of caution with respect to Land Use Policy 10.3 OPCD includes a comprehensive review of industrial lands polices with respect to the proposed rezone in the Fremont Urban Center below.

	Policy	Analysis / Discussion
LU 13.1	<p>Designate industrial zones generally where</p> <ul style="list-style-type: none"> • The primary functions are industrial activity and industrial-related commercial functions, • The basic infrastructure needed to support industrial uses already exists, • Areas are large enough to allow a full range of industrial activities to function successfully, and • Sufficient separation or special conditions exist to reduce the possibility of conflicts with development in adjacent less intensive areas. 	<p>The primary function of the proposed rezone area is not industrial activity. The rezone area is not large enough to allow a full range of industrial activities to function successfully. There are not major separations between the rezone area with nearby less intensive areas.</p>
LU 13.2	<p>Preserve industrial land for industrial uses, especially where industrial land is near rail- or water-transportation facilities, in order to allow marine- and rail related industries that rely on that transportation infrastructure to continue to function in the city.</p>	<p>The proposed rezone area is not served by rail or water-transportation facilities, and land uses in the rezone area would not rely on that infrastructure.</p>
LU 13.3	<p>Ensure predictability and permanence for industrial activities in industrial areas by limiting changes in industrial land use designation. There should be no reclassification of industrial land to a non-industrial land use category except as part of a City-initiated comprehensive study and review of industrial land use policies or as part of a major update to the Comprehensive Plan.</p>	<p>The rezone proposal is a city-initiated proposal and this Director’s Report contains a comprehensive study and review of industrial land use policies. Even though the comprehensive</p>

		review of industrial land policies is provided, the City does not consider land outside of MICs to be the subject of this policy statement.
LU 13.4	Accommodate the expansion of current industrial businesses and promote opportunities for new industrial businesses and emerging industries within Seattle to strengthen the city’s industrial economy.	The proposal does not limit the expansion of current industrial businesses. The proposal supports emerging Seattle-based businesses in the outdoor recreation and equipment industry.
LU 13.5	Restrict to appropriate locations within industrial areas those activities that—by the nature of materials involved or processes employed—are potentially dangerous or very noxious.	No potentially dangerous or very noxious activities are known to exist in the rezone area.
LU 13.6	Provide a range of industrial zones that address varying conditions and priorities in different industrial areas. Those priorities include maintaining industrial areas that have critical supporting infrastructure, leveraging investments in high capacity transit service, providing transitions between industrial areas and less intensive areas, and promoting high-quality environments attractive to business expansion or to new industrial activities.	The proposed rezone area is not within a MIC. The range of industrial zones described is intended for within the MICs and the proposal does not impact any MIC.
LU 13.7 (Excerpted for brevity)	Use the following industrial land use designations: <ul style="list-style-type: none"> • Maritime, Manufacturing and Logistics • Industry and Innovation • Urban Industrial • Industrial Commercial 	The proposed rezone does not pertain to the listed industrial zones, and the proposal is for land outside of a MIC.
LU 13.8	Prohibit new residential development in industrial zones, except for certain types of dwellings, such as caretaker units or, potentially in urban industrial zones, dwellings for workers that are related to the industrial area and that would not restrict or disrupt industrial activity. Within the Stadium Area Transition Overlay District, only allow residential uses east of First Avenue S and do not expand that area.	The proposal rezones land to the Neighborhood Commercial zone. There would be no expansion of housing within an industrial zone.
LU 13.9	Use the general industrial or maritime, manufacturing, and logistics zones to promote a full range of industrial activities and related support uses.	The proposal is not within an area conducive to a full range of heavy industrial activities.

LU 13.10	Apply the maritime, manufacturing and industrial zones mostly within the designated Manufacturing and Industrial Centers, where impacts from industrial activity are less likely to affect residential or commercial uses. Outside of Manufacturing/Industrial Centers, the maritime, manufacturing, and logistics zones may be appropriate along waterways used for maritime uses.	The proposed rezone area is not within a MIC and the area is not along a waterway.
LU 13.11	Avoid placing industrial zones within regional, urban, and neighborhood centers. However, in locations where a center borders a Manufacturing and Industrial center, use the industrial commercial zone within the center where it abuts the Manufacturing and Industrial Center to provide an appropriate transition to help separate residential uses from heavier industrial activities.	The proposed rezone location is within the Fremont Urban Center <u>85</u> . The action increases consistency with this policy by changing the zoning from the Industrial Commercial zone.
LU 13.12	Consider using the urban industrial zone in locations where a center borders a Manufacturing and Industrial Center and where it may provide an appropriate transition to help separate residential uses from heavier industrial activities.	The proposal does not propose urban industrial rezone.
LU 13.13	Limit the density of development for nonindustrial uses in the Manufacturing and Industrial Centers and where it may provide an appropriate transition to help separate residential uses from heavier industrial activities.	The proposed rezone area is not within a MIC.
LU 13.14	Recognize the unique working character of industrial areas by allowing flexibility in application of landscaping and street standards for industrial activities in the maritime, manufacturing, and logistics zone.	The proposed rezone does not affect landscaping or street standards for industrial zones.
<u>LU 13.15</u>	Set parking and loading requirements in industrial zones to provide adequate parking and loading facilities to support business activity, promote air quality, encourage efficient use of the land in industrial areas, discourage underused parking facilities, and maintain adequate traffic safety and circulation. Allow some on-street loading and occasional spillover parking. Consider limiting parking in the industry and innovation zone located in the vicinity of high-capacity transit stations.	The proposed rezone does not affect parking or loading requirements.
LU 13.16	Maintain standards for the size and location of vehicle curb cuts and driveways in industrial zones in order to balance the need to provide adequate maneuvering and loading areas with availability of on-street parking and safe pedestrian, bike, and transit access.	The proposal does not alter the size or location of curb cuts and driveway standards in industrial zones.
LU 13.17	Permit noise levels in industrial areas, except buffer areas, that would not be allowed in other parts of the city, in recognition of the importance and special nature of industrial activities. When residential uses are permitted in industrial areas apply noise	The proposal does not alter noise regulations.

	attenuation measures to the dwelling units to lessen impacts from noise on residents.	
LU 13.18	Classify certain industrial activities as conditional uses in industrial zones in order to accommodate these uses while making sure they are compatible with the zone's primary industrial function and to protect public safety and welfare on nearby sites. Require mitigation of impacts on industrial activity and on the immediate surroundings, especially nearby less intensive zones.	The proposal does not alter conditional use standards in industrial zones.
<u>LU 13.19</u>	Prohibit uses that attract large numbers of people to the industrial area for nonindustrial purposes, in order to keep the focus on industrial activity and to minimize potential conflicts from the noise, nighttime activity, and truck movement that accompanies industrial activity. Consider allowing such uses in the urban industrial zone only.	The proposal is not within a MIC, and it does not contain substantial industrial activity. The proposal would attract more people and employees to the affected area.
LU 13.20	In the industry and innovation zone, consider development regulations that are compatible with employment-dense transit-oriented development. Seek to establish minimum density standards to ensure employment density at a level necessary to leverage transit investments. Consider upper-level density limits to discourage higher value ancillary uses that are more appropriate in nonindustrial areas.	The proposal does not alter development regulations for the II zone.
LU 13.21	In the Industry and Innovation zone, consider development standards that promotes development that meets the needs of industrial businesses including load-bearing floors, freight elevators, and adequate freight facilities.	The proposal does not alter development regulations for the II zone.
LU 13.22	Use the urban industrial zone to provide an appropriate transition between industrial areas and adjacent residential or pedestrian-oriented commercial zones.	Since the area is outside of the MIC the Urban Industrial zone is less appropriate than the Neighborhood Commercial zone (See also policy LU 130 .11)
LU 13.23	In the urban industrial zone, allow a range of ancillary non-industrial uses. Recognize that industrial businesses in this zone have a greater need for a limited amount of space for such uses as tasting rooms and retail facilities that directly support the industrial activity of the business.	The proposal does not alter development regulations for the UI zone.
LU 13.24	Develop transitions between industrial areas and adjacent neighborhoods that support healthy communities, reduce adverse environmental impacts, and minimize land use conflicts.	The proposed rezone supports the transition with the adjacent area
LU 13.25	In the urban industrial zone, consider establishing buffer standards to ease the transition from industrial	The proposal does not alter development

	areas to urban villages and other non-industrial parts of Seattle.	regulations for the UI zone.
LU 13.26	Recognize the unique development opportunities that the Washington National Guard Armory in the BINMIC and the WOSCA site in the Duwamish MIC represent. Work with the State of Washington or other future owners of these sites to develop a comprehensive industrial redevelopment plan that maximizes public benefits and reflects its location within a Manufacturing and Industrial Center. This plan should include features such as green infrastructure, district energy and waste management programs, and workforce equity commitments.	The proposal is not for the Interbay Armory site and does not affect that site.
LU 13.27	Allow the widest possible range of manufacturing uses and related industrial and commercial activities within the industrial buffer zone, while ensuring compatibility the activity and physical character of neighboring less intensive zones.	The proposal does not alter development regulations for the IB zone.
LU 13.28	Include development standards or performance standards for the industrial buffer zone that protect the livability of neighboring areas, promote visual quality, and maintain a compatible scale of development along zone edges. Apply these standards only in places where existing conditions do not adequately separate industrial activity from less intensive zones.	The proposal does not alter development regulations for the IB zone.
LU 13.29	Limit the height of structures on the borders of industrial buffer zones where streets along the zone edge do not provide sufficient separation for a reasonable transition in scale between industrial areas and less intensive neighboring zones, taking into consideration the permitted height in the abutting less intensive zone.	The proposal is not on the border of an IB zone.
LU 13.30	Allow a wide mix of employment activities in the industrial commercial zones, such as light manufacturing and research and development.	The proposal does not alter development regulations for the IC zone.
LU 13.31	Support employment-dense emerging industries that require greater flexibility in the range of on-site uses and activities.	The proposal does not reduce opportunities for emerging industries.
LU 13.32	Limit development density in industrial commercial and maritime, manufacturing, and logistics zones in order to reflect transportation and other infrastructure constraints, while taking into account other features of an area.	The proposal does not alter development regulations for the II or the IC zone.
LU 13.33	Include development standards in the industrial commercial zone designed to create environments that are attractive to new technology businesses and that support a pedestrian-oriented environment, while controlling structure height and scale to limit impacts on nearby neighborhoods.	The proposal does not alter development regulations for the IC zone.

LU 13.34	Provide a range of maximum building height limits in the industrial commercial zones in order to protect the distinctive features that attract new technology businesses to the area—such as views of water, shoreline access, and the neighborhood scale and character—to make sure that these features will continue to be enjoyed, both within the zone and from the surrounding area.	The proposal does not alter development regulations for the IC zone.
LU 13.35	Assign height limits independently of the industrial zoning designation to provide flexibility in zoning-specific areas and to allow different areas within a zone to be assigned different height limits according to the rezone criteria.	The proposal does not alter height limit regulations for industrial zones.
LU 13.36	Restrict or prohibit uses that may negatively affect the availability of land for industrial activity, or that conflict with the character and function of industrial areas.	The proposal is not within a MIC and the affected land does not contain industrial uses.
LU 13.37	Consider high value-added, living wage industrial activities to be a high priority.	The proposal supports value-added living wage jobs. It does not detract from industrial job creation and economic development in MICs.
LU 13.38	Permit commercial uses in industrial areas to the extent that they reinforce the industrial character, and limit specified non-industrial uses, including office and retail development, in order to preserve these areas for industrial development.	There are not industrial activities in the proposed rezone area and the area is not within a MIC.

Compatibility

There is a very high degree of compatibility between the proposed rezone to a NC-75 zone and adjacent areas. The zone would match the NC-75 zones immediately to the north and west of the rezone area along Stone Way. A major structure within the rezone area and another one immediately south of the rezone area is already built to the 75 foot height limit because it used the Living Building Pilot program to achieve extra height up to 75 feet. New development under the proposed zone would be very similar to other recent mixed use developments to the north in the Stone Way corridor. Transitions in scale are provided to the east because a half block of intervening NC zoning with a 40 foot height limit in place there.

The Seattle North Transfer Station is located directly south of North 35th Street. from a portion of the rezone area. Although there are potential compatibility conflicts in cases of close proximity of residential and lodging uses to a transfer station, these potential issues are greatly mitigated by the unique and exemplary design of the North Transfer Station. The station was rebuilt and completed in 2016. The

state-of-the-art and environmentally friendly facility features advanced odor and dust control and community amenities such as an education room and an outdoor play area.

Housing

The companies located in the subject area and other area landowners see potential to add a substantial quantity of infill housing development within the blocks, which would be integrated and complementary to the growing employment campus. The change would also allow lodging uses that are only allowed as a conditional use and size-limited under existing zoning. It is anticipated that some of the homes would be amenable to workers in the general area and other members of the community seeking housing in the neighborhood. Additionally, hospitality could locate close to the company headquarters.

A rough estimate by OPCD finds that approximately 300 – 600 new homes could be expected to be constructed in the rezone area during a 20-year planning horizon. At proposed MHA levels, 6% of those homes (18 – 36) would be provided as affordable to low-income households if developers choose to provide on-site affordable units, or proceeds of \$5.0M - \$10M towards the City's affordable housing fund would be generated if they choose in-lieu payment.

Economic development

Although housing is the primary focus of this legislation, this component of the bill would also have an important economic development function. The action would support the continued growth in place by major Seattle-based employers (Brooks Running, and Evo, as well as other ancillary companies). These are examples of major employers that started in Seattle and are rooted in the city. A key principle of local economic development is business retention and expansion. Modifying zoning would support the retention and growth of existing businesses, which can enhance the overall business climate and improve community vitality. Growth of a cluster of outdoor and recreation companies in the location helps workforce development and creates a climate of collaboration. Potential continued growth in the location and addition of housing would support employee retention by increasing nearby housing options, which is critical for organizational success.

Expanded Downtown Retail Core (DRC) Rezone

Background

During the summer of 2023 the City rezoned a portion of the Downtown Retail Core (DRC) zone via Ordinance 120632. The current proposal would extend the same rezone to two additional blocks along Union Street between 3rd Avenue and 5th Avenue. In total the proposal would rezone 12 parcels. The intent behind the rezone of the Downtown Retail Core (DRC) zone to the Downtown Mixed Commercial (DMC) zone includes the following factors:

Trends in Retail. The function and character of central downtown as a destination shopping center has declined, and the policy intent for a retail core zone that supports shopping centers is reduced.

Limited Investment. In recent years, new development with housing has been more limited in the Downtown Retail Core zone compared to other nearby zones in the downtown area.

Residential uses. The proposed DMC zone encourages much denser housing than the existing DRC zone and increasing housing supply in downtown is a policy goal for Seattle.

For a more complete description of intent for the proposed rezone refer to the Director's Report from summer 2023.

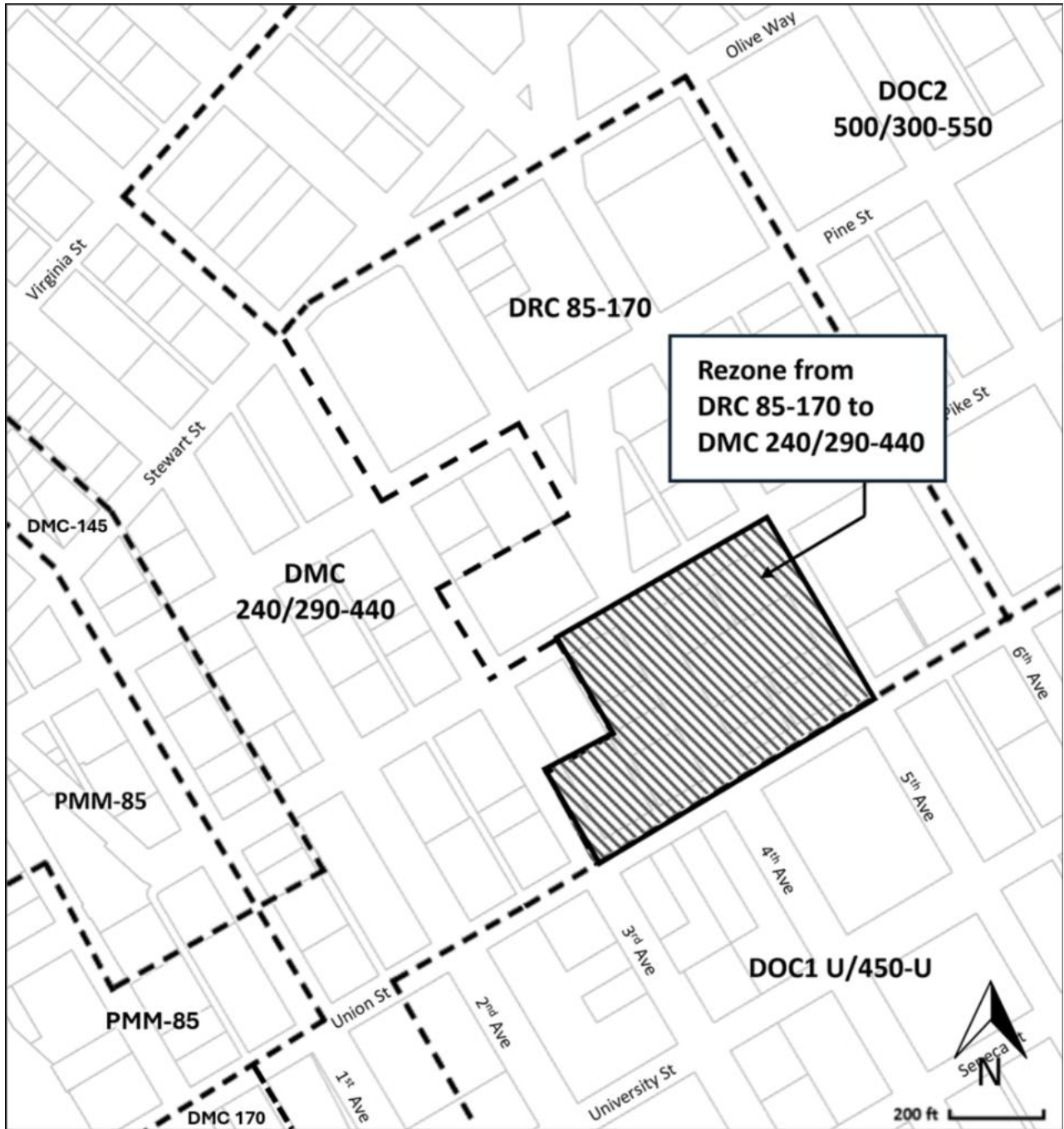
Office to Residential Conversion. Another supporting factor for extending the rezone is the potential to encourage conversions of underused office structures to housing. The City has taken multiple steps to encourage conversions as a strategy to increase housing supply and support downtown activation. These efforts include Ordinance 127054 which removed regulatory barriers to conversions, and Ordinance 127181 which provided a sales and use tax deferral to incentivize conversion projects. The currently proposed rezone will further support the potential for conversion of several vacant or underused office spaces in historic buildings by enhancing the potential for Transfer of Development Rights (TDR). The increase of allowable development capacity for housing would increase the amount of TDR these buildings can sell, potentially making certain conversions more economically viable. (See further discussion of TDR in the analysis section below.)

Proposal

The proposed rezone is from the DRC 85-170 zone to the DMC 240/290-440 zone. The map below shows the proposed rezone area (indicated as Phase 2) alongside the area that was similarly rezoned in the summer of 2023 (indicated as Phase 1). The 2023 legislation rezoned 11 strategically located parcels within a five-block area along 3rd Avenue. The current proposal extends the rezone area to 12 more parcels in adjacent blocks on Union Street as far east as 5th Avenue.

The 2023 rezone (Phase 1) is beginning to yield results. Application materials for a development proposal on the half block of the former Kress IGA site have been submitted for a new building with two residential towers totaling about 900 homes. Property owners of the Ross building in the 2023 rezone area are currently exploring preliminary development concepts.

Downtown Retail Core Rezone Map
Currently Proposed Rezone Indicated as "Phase 2"



The following summarizes the key changes to development standards between the DRC zone and the DMC zones. Not all changes can be summarized concisely in this report. The comparison focuses on the standards that govern the scale and qualities of potential development the most.

HEIGHT LIMITS

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

The overall effect of the change to height limits is that substantially taller tower structures could be built in the rezoned area. Maximum height limits would increase by 70 feet for commercial uses and 270 feet for residential uses. The change would allow a different scale of tall residential tower. Height is not the only standard that governs potential building form. Other key standards such as floor plate limits apply that govern the form of development. Height increase would be material for new infill development projects. For Landmark structures that would be preserved the primary effect is an increase in the amount of Transfer of Development Rights (TDR) that historic properties could sell. (See also analysis below.)

FLOOR AREA RATIO (FAR) AND INCENTIVE ZONING STRUCTURE

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

<ul style="list-style-type: none"> • 25% of bonus floor area from a combination of landmark or open space TDR or downtown amenities.
<p>Key FAR Exemptions:</p> <p>The FAR exemptions are the same for most uses under the existing DRC zone, and the proposed DMC 240/290-440 zone in the rezone location because Map 1j of the downtown code applies these exemptions to a mapped area that includes the land in this proposal.</p> <ul style="list-style-type: none"> • Residential use • Uses in 23.49.009.A (required active street level uses) • Shopping atria • Childcare centers • Human service use • Museums • Performing arts theaters • Floor area below grade • Public restrooms • Major retail stores • Shower facilities for bike commuters • City facility (police, fire station)
<p>Elementary and secondary schools are exempt from FAR limits in the proposed DMC 240/290-440 zone but not the existing DRC zone.</p>

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

ALLOWED AND PROHIBITED USES

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

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

STREET LEVEL USES AND FAÇADE REQUIREMENTS

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

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

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

DRC 85-170 (existing)	DMC 240/290-440 (proposed)
<ul style="list-style-type: none"> 15’ setback required above 85’ of structure height 	<ul style="list-style-type: none"> Required tower separation is 60’ for the affected area. Average residential tower floor area limit per story is 10,700 sq. ft. Maximum residential tower floor area limit per story is 11,500 sq. ft. Commercial towers are required to be modulated Maximum tower width of 120’ 15’ setback required above 45’ on green streets

The overall effect of the change is that taller residential structures would be allowed in the DMC zone, but they are subject to numerous controls that would limit the bulk. The development standards of the proposed DMC 240/290-440 zone would result in relatively slender tall residential towers. Under existing regulations residential structures would be lower but could have a bulkier presence since there are not floor plate or width limits under current conditions. (See examples on following pages).

AMENDMENT TO TOWER FLOOR PLATE LIMITS

In conjunction with the rezone to the DRC zone, the proposed legislation would adjust the floor plate size limits for towers in the DMC zones. Average and maximum floor plate size limits in the zones are constraining and sometimes cause development to be more expensive, because of the limit on the amount of floor area that can be provided for homes in proportional to the vertical circulation in the structure. The proposed increase is approximately 10% to both the average and maximum limit as shown below. The change is intended to create more workable floor plans that reduce inefficiency.

DMC 240/290-440 and DMC 240/290-440	Existing DMC Floor Plate Size Limits	Proposed DMC Floor Plate Size Limits
Average residential gross floor area limit per story if tower does not exceed base height limit.	10,000 sq. ft.	11,000 sq. ft.
Average residential gross floor area limit per story of a tower if height exceeds the base height limit for residential use	10,700 sq. ft.	11,800 sq. ft.
Maximum residential floor area of any story in a tower	11,500 sq. ft.	12,700 sq. ft.

The overall effect of the change is that towers in the DMC zones would be allowed to be about 10% bulkier than currently allowed. The visual effect of a 10% increase would not be readily recognizable to many observers. However, the change could lead to an incremental decrease in the perception of lightness or slenderness to tall residential towers. Other standards limiting proliferation and spacing between towers would mitigate increased bulk effects.

PARKING

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

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

Analysis

Projected Development

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

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

The presence of historic landmarks can limit redevelopment potential, as landmark status imposes additional regulatory constraints. However, the proposed rezone in the Downtown Retail Core is expected to support the office to residential conversion of vacant upper-floor office space in historic buildings through the viability of the Transfer of Development Rights (TDR) program. By increasing allowable development capacity, the rezone will boost the amount of development rights that landmarked properties can sell, thereby strengthening the financial incentive for their preservation. (See further discussion of TDR below).

A specific estimate of the quantity of projected housing development in the rezone area is difficult, but an order of magnitude range can be understood by identifying the candidate sites for redevelopment or conversion. The following sites in the rezone area have at least a moderate potential for redevelopment or conversion.

Candidate Sites for New Construction

- 1405 5th Avenue (5th & Union, vacant former Chase bank branch).
- 425 Pike Street (Washington Federal 5-story office structure).

Candidate Sites for Conversion of Upper Floors to Housing

- Holland/MiKen Building (1417 4th Avenue Landmark).
- Joshua Green Building (1425 4th Avenue Landmark).
- Great Northern Building (1404 4th Avenue Landmark).
- Liggett Building (1424 4th Avenue Landmark).

Vance Building (1402 3rd Avenue).

It is extremely unlikely that all or even most of these sites would develop during an intermediate time horizon of 10 years. However, for a general sense of scale, if all were developed (including conversions) OPCD estimates that an additional 900-1,200 homes could be created, which are estimated to generate \$4.8 million- \$6.6 million of MHA proceeds for affordable housing. The estimate anticipate that landmark structures would be rehabilitated and converted to housing, because they would not be demolished due to their landmark status.

Historic Landmarks

There are four landmarks within the proposed rezone area as shown in the map below: Joshua Green Building, 1425 4th Avenue, Holland/MiKen Building, 1417 4th Avenue, The Liggett Building, 1424 4th Avenue, and the Great Northern Building 1404 4th Avenue, Seattle. Other structures in the proposed rezone area are historic aged but not designated as a landmark. (Appendix 1 includes more complete description of each landmark.)

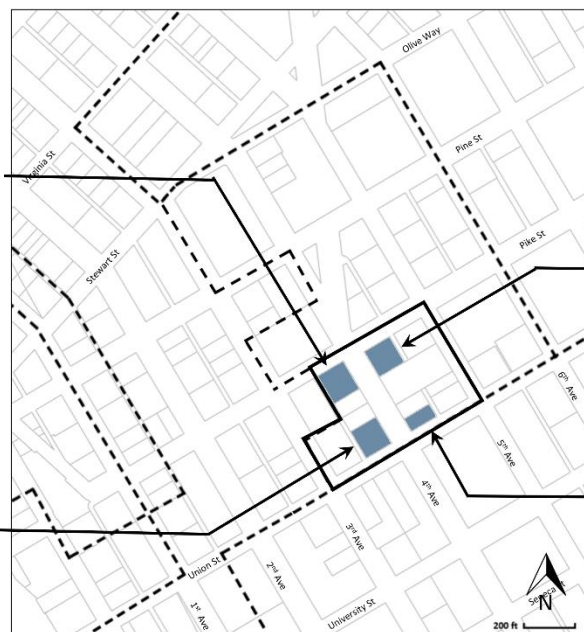
Historic Landmark Buildings in the Proposed Rezone Area Seattle Landmark Protections



Joshua Green Building, 1425 4th Ave Seattle



Holland/MiKen Building, 1417 4th Ave, Seattle



The Liggett Building, 1424 4th Ave, Seattle



Great Northern Building 1404 4th Ave, Seattle

Seattle Municipal Chapter 25.12 governs the designation of landmarks, controls on landmarks, and limits on alteration of a designated landmark. When a landmark is designated, the City adopts a controls and incentives ordinance that identifies the specific features of the landmark which are designated, the basis for the designation and any controls imposed on the landmark. A certificate of approval must be issued before changes can be made to individually designated City Landmarks. A Certificate of Approval is a written authorization, much like a permit.

Before a Certificate of Approval is issued, an application must be submitted via the Seattle Services Portal, which then is reviewed by staff; once the application is determined complete it is scheduled for a

public meeting of the Landmarks Preservation Board for review and action. The Secretary of the Interior’s Standards for Rehabilitation are considered by the Department of Neighborhoods and the Landmarks Preservation Board when reviewing applications for certificate of approval. Demolition of any landmark is strongly discouraged by the City’s policies.

Transfer of Development Rights (TDR)

The Downtown Zoning Chapter of the Land Use and Zoning Code (SMC 23.49) promotes historic preservation through several key mechanisms, including landmark protections for buildings, and the use of Transfer of Development Rights. (The technical term for transfer of commercial development rights at issue here is “Transfer of Development Potential” (TDP), but “Transfer of Development Rights” is used in this report as a more familiar and commonly used term.)

In the area of the proposed rezone, the program allows owners of designated Seattle landmarks to sell unused development rights of commercial square footage to other properties within defined areas of downtown. This incentivizes the preservation, rehabilitation, and restoration of historic structures by enabling financial return for unused commercial development capacity. The value of these rights is determined through negotiation between the sending and receiving property owners. Once transferred, the commercial development rights remain with the receiving lot in perpetuity.

For the foreseeable future, owners of historic structures may be interested in converting underused office space in underused commercial buildings to housing. If they do, the converted buildings would not have any commercial office space in them that would count against FAR limits under zoning – referred to as “chargeable” floor area. Therefore, after the conversion, the owner of the historic structure could sell off their rights to commercial development. They could sell TDR square footage up to the amount of commercial space that would be allowed on their site by zoning - governed by the base FAR limit. The proposed rezone increases the base FAR limit from 3.0 to 5.0, increasing the commercial square footage rights that the historic building owners could sell after the conversion. The increased economic value of the future proceeds from TDR would make the decision to pursue a residential conversion more viable. The table below illustrates how this would work using the Ligett Building as an example. In the example the amount of TDR that could be sold increases by 24,690 square feet.

Ligett Building at 4th and Pike Example

	Existing DRC 85-170 Zone	Proposed DMC 240/290-440
Site Area	12,210	12,210
Base FAR Limit	3.0	5.0
Commercial floor area that could be sold through transfer of development rights	36,360	61,050
Assumes a conversion to residential occurs and ground floor commercial square footage in the revitalized buildings is also exempt from chargeable FAR limits.		

Development Examples Under the Existing and Proposed Zones

For new development, the DMC 240/290-440 zone has resulted in a relatively consistent pattern of residential towers, characterized by slender upper stories and overall building heights of approximately 40 stories. This pattern is evident in several buildings located west of the proposed rezone area along

2nd Avenue. These projects demonstrate the scale and form made possible by the height limits, floor plate restrictions, and development capacity permitted in the DMC zone.

One example is a development proposal in the Commercial Core, just west of the proposed rezone area, at 1516 2nd Avenue. This project includes a 46-story, 531-unit mixed-use residential tower with ground-floor retail and parking for 268 vehicles. The scale of this development is enabled by the DMC 240/290-440 zoning, which supports greater building height and density than the existing DRC zone.

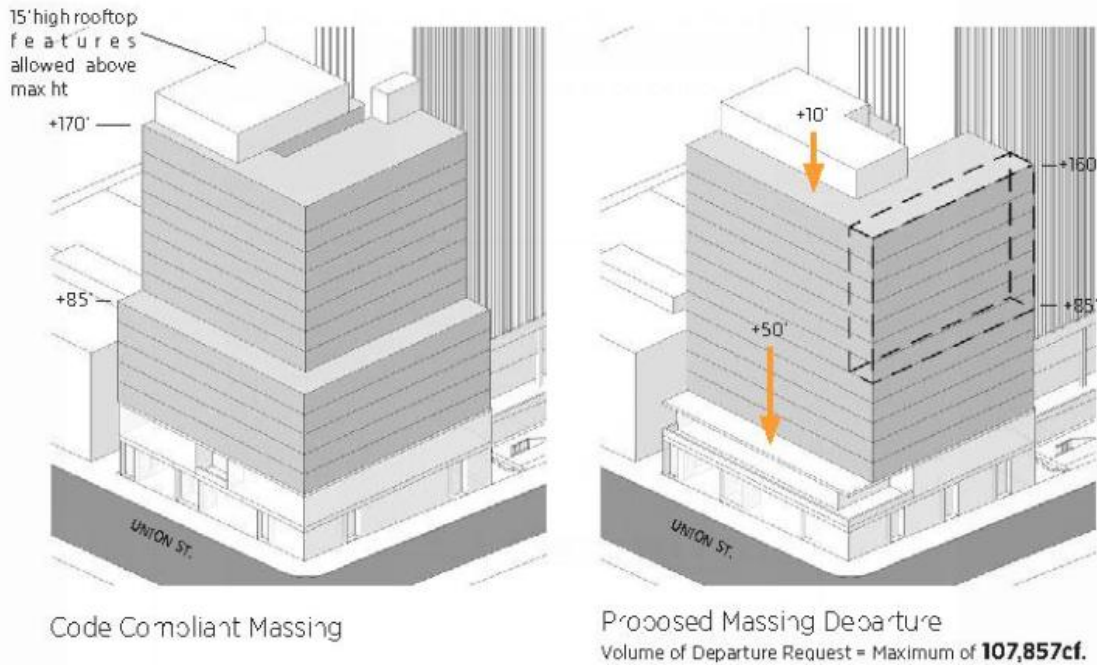
Example Development in the Proposed DMC 240/290-440 Zone



In contrast, a development proposal that is not moving forward within the Downtown Retail Core, at 5th Avenue and Union Street—within the proposed rezone area—consisted of a 15-story, 100-unit apartment building that included hotel rooms and retail space, with no parking proposed. The DRC 85-170 zoning limits the scale of development through lower height limits and fewer building form controls.

Example Development in the Existing DRC Zone

These two proposals highlight the different development patterns produced under the DRC and DMC



zones. While both zones permit a wide range of uses and share similar ground-floor activation and parking standards, the key distinction lies in the scale and form of residential development. Rezoning to DMC 240/290-440 would allow significantly taller towers—with up to 270 additional feet for residential uses—and introduce form-based regulations such as tower spacing and floor plate limits that promote slender, vertical structures. These changes would support more efficient land use, greater housing production, and increased foot traffic and activity in the downtown core, particularly during evenings and weekends, while maintaining a strong pedestrian-scale environment through consistent street-level design standards.

Comprehensive Plan consistency

The proposed rezone area is located in Downtown Seattle, which the Seattle Comprehensive Plan identifies as a Regional center. The Plan describes Regional Centers as places of regional importance with substantial housing, office, retail, institutional, and entertainment uses and access to regional transit. The Plan also specifically recognizes the unique role and character of different neighborhoods within large Regional Centers, particularly Downtown.

The Proposed legislation would rezone 12 parcels from Downtown Retail Core (DRC 85-170) to Downtown Mixed Commercial (DMC 240/ 290-440). The proposal would extend to additional blocks the same zoning approach adopted in 2023 for nearby properties in Downtown. As described in the proposal, the intent is to respond to changing retail conditions, support additional housing, and increase opportunities for office-to-residential conversion and other mixed use redevelopment.

The proposal is consistent with the Seattle Comprehensive Plan's growth strategy for Downtown because it would increase opportunities for housing and mixed-use development within a designated Regional Center planned to accommodate substantial future growth. The Plan calls for Downtown to

accommodate 13,500 new housing units and 60,000 new jobs between 2024 and 2044. The proposal would support that growth strategy by allowing more housing capacity in a central Downtown location while continuing to allow a broad mix of non-residential uses.

The proposal is also consistent with the Land Use element's direction for Downtown zones. The Plan states that Downtown zones should promote Downtown's unique regional role through high-density development, a wide diversity of residential and non-residential uses, and a vital and attractive environment. The Plan further provides that in the core of Downtown, regulations should allow a broad range of uses and significant flexibility to switch uses so Downtown can adjust to changing conditions and support a 24/7 environment. Extending the DMC zoning designation to these additional blocks is consistent with that direction because it would allow greater flexibility in how underused properties are reused and redeveloped while supporting continued retail, employment, residential, and pedestrian activity in this part of Downtown.

The proposed legislation therefore supports the Seattle Comprehensive Plan's direction to focus substantial growth in Regional Centers, expand housing opportunities, maintain a broad mix of uses in Downtown, and allow land use regulations in the core of Downtown to respond to changing economic conditions.

Rezone land and amend development standards to support multi-purpose redevelopment on sites with community-based uses.

Background

In September of 2025 the City rezoned the vicinity of the former Lake City Community Center to support higher density redevelopment with a new community center and City-funded affordable housing. The currently-proposed legislation would expand the approach to facilitate similar mixed-use developments of several groups of properties anchored by sites owned by nonprofit actors. Such sites would be encouraged to redevelop with revitalized community facilities combined with increased amounts of housing. The rezone would present the opportunity for owners of community-based sites to partner with adjacent property owners for potential future development.

The intent of this proposal is to amplify housing production on groups of properties scattered across the city with a high likelihood of being developed with affordable housing, social housing, or equitable development uses.

Proposal

The legislation would make the following rezones. Maps are provided on the following pages.

Rainier Beach Light Rail Station Area. Rezone the west half of a block bounded by MLK Jr. Way South, South Trenton Street, 42nd Ave. South, and South Henderson Street from the Seattle Mixed Rainier Beach zone with a 55 foot height limit (SM-RB 55) to the Seattle Mixed Rainier Beach zone with a 125 foot height limit (SM-RB 125). In total this would rezone 2 and a half parcels and approximately 1.57

acres of land. The area is one block directly northwest of the Rainier Beach light rail station platform, within about 500 feet of the station platform.

The east half of the block is already zoned SM-RB 125 and the change would unify the zoning for the whole block. The rezone would rectify a split zone condition on the north part of the block fronting South Trenton Street. The Mt. Baker Housing Association (a non-profit development) intends to build affordable housing with community-oriented ground level uses on the split-zoned parcel, and removing the split zone would simplify the development process and increase the amount of affordable housing that could be built.

University District YMCA Vicinity. Rezone the south portion of the block between 11th Avenue NE and 12th Avenue NE fronting on NE 50th Street. Change the zoning of 4 properties owned by the Seattle / King County YMCA and the Low Income Housing Institute (LIHI) and the site of 10 townhouses from the Neighborhood Commercial 3 zone with a 75 foot height limit to the Seattle Mixed University District zone with the 75-240 height limit (SM-U 75-240). Additionally, change the zoning of four other adjacent parcels from the Midrise (MR) zone to the SM-U 75-240 zone. The rezone would create a contiguous area of the SM-U 75-240 zone, matching the existing zone directly across NE 50th Street from the rezone area. In total, 18 parcels and 1.3 acres of land would be rezoned. The change would create a consolidated block of SM-U 75-240 zoning, which would present a strong opportunity for mixed use redevelopment of the YMCA and LIHI properties, with opportunities to coordinate such development with opportunities on adjacent property.

Madison / Miller YMCA Vicinity. Rezone the property between 23rd and 24th Avenue fronting on East Olive Street that is owned by the Seattle / King County YMCA from Lowrise 2 (LR2) to Neighborhood Commercial 2 with a 75 foot height limit (NC2-75). Additionally, rezone three adjacent parcels owned by the Ebenezer AME church from the Lowrise 3 (LR3) zone to the NC2-75 zone. In total the rezone area would consist of four parcels and 1.4 acres of land.

The proposal also would amend the City's Planned Community Development (PCD) regulations to make redevelopment more viable on large sites in any downtown zone that are owned by nonprofit agencies. Potentially relevant large properties include the Goodwill campus of sites on South Dearborn Street, and would also apply to other large properties owned by non-profit agencies in downtown. PCDs are applicable to sites in downtown zones with a minimum size of 100,000 square feet. (A typical downtown full city block is approximately 84,000 sq. ft.) Three changes to the PCD regulations are proposed as follows:

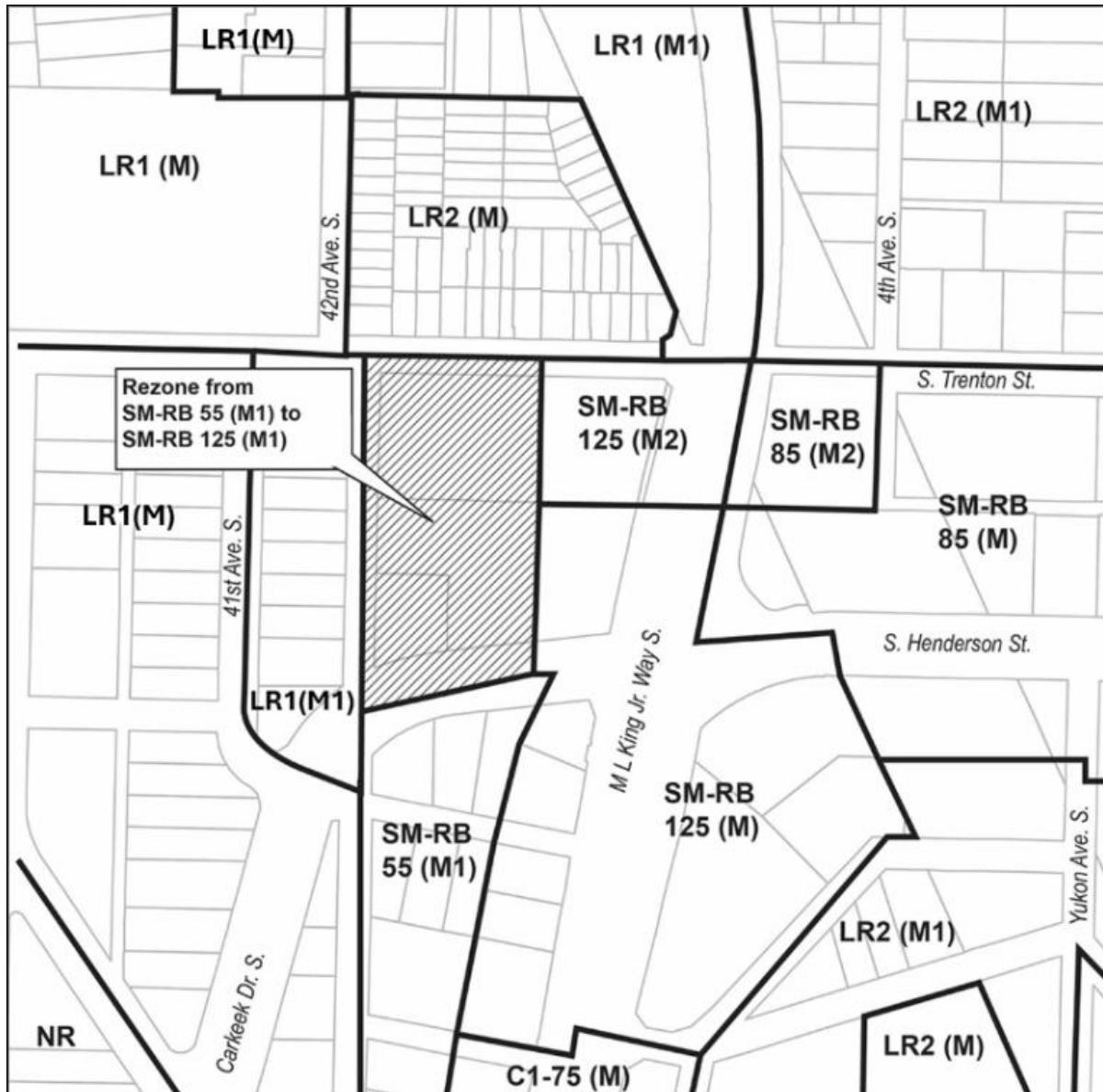
Remove duplicative public benefit priorities for non-profit organizations. SMC section 23.59.036.B requires a process to identify public benefit priorities for a PCD proposal prior to application for a Master Use Permit. The proposed legislation amends the eligible public benefit features to add more features that match the activities of non-profit services providers. Since the nonprofit would be providing such public benefits, the amendment makes the option to prepare a PCD more accessible to non-profit applicants.

Add a phasing plan for PCDs. The proposed legislation adds a requirement for a PCD applicant to submit a phasing plan. The phasing plan would allow for a 15-year time horizon for development before

expiration of the PCD. This change is intended to give potential applicants for a PCD more certainty that they could phase their development over time, providing more incentive to undertake the PCD process.

Add a minor amendment process for PCDs. The proposed legislation adds clarity to the process for making minor amendments to a PCD. The legislation sets a process for the Director of SDCI to determine minor and major amendments and allows the SDCI Director to approve a minor amendment as a simple Type I permit decision. This proposed change gives potential applicants for PCD greater flexibility, enabling them greater confidence to pursue a PCD process.

Rainier Beach Rezone Map

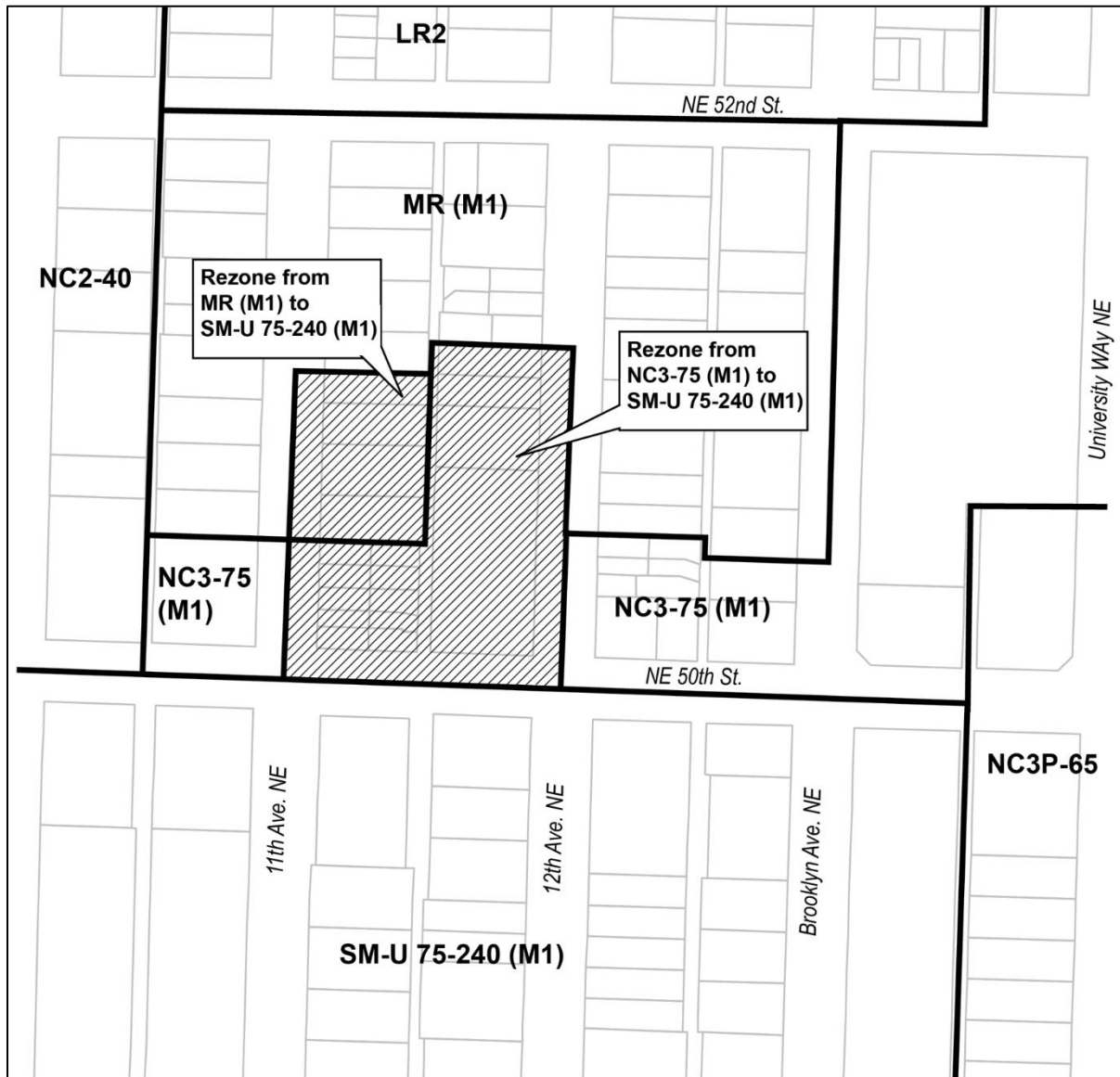


**Summary of Zoning Changes – Key Development Standards
Rainier Beach Rezone**

	Existing SM-RB 55	Proposed SM-RB 125
Maximum Height	55’	125’
FAR Limit	2.25 3.25 The FAR shall be increased by an amount of floor area equal to twice the amount of floor area occupied by these uses: light manufacturing; college; School, vocational, or fine arts; Food processing and craft work; Child care center; or Low-income housing.	3.75 5.75 The FAR shall be increased by an amount of floor area equal to twice the amount of floor area occupied by these uses: light manufacturing; college; School, vocational, or fine arts; Food processing and craft work; Child care center; or Low-income housing.
Allowable Uses	Residential and live-work uses are prohibited in street-level	Residential and live-work uses are prohibited in street-level
Typical New Development in the Zone	5 story buildings with commercial on ground floor, office and residential uses above	Up to 12-story buildings with commercial on ground floor, office and residential uses above

The primary effect of the proposed rezone from SM-RB 55 to SM-RB 125 is to allow greater building scale and intensity of development. Maximum height would increase from 55 feet to 125 feet, enabling structures more than twice as tall. FAR limits would rise from 2.25 to a range of 3.25–5.75. 5.75 is achievable if development incorporates community-serving uses such as child care, vocational schools, light manufacturing, and low-income housing. Allowable uses would remain largely unchanged from the existing zone, with residential and live-work prohibited at street level along designated streets, while a mix of commercial, institutional, and upper-level residential uses would continue to be permitted. As a result, the typical new development in the zone would shift from mid-rise buildings of about five stories to high-rise mixed-use projects up to twelve stories, with active street-level uses and a greater mix of housing and employment opportunities. However, even with the zone change, economic conditions could still lead to the production of midrise buildings in the location.

University District Rezone Map

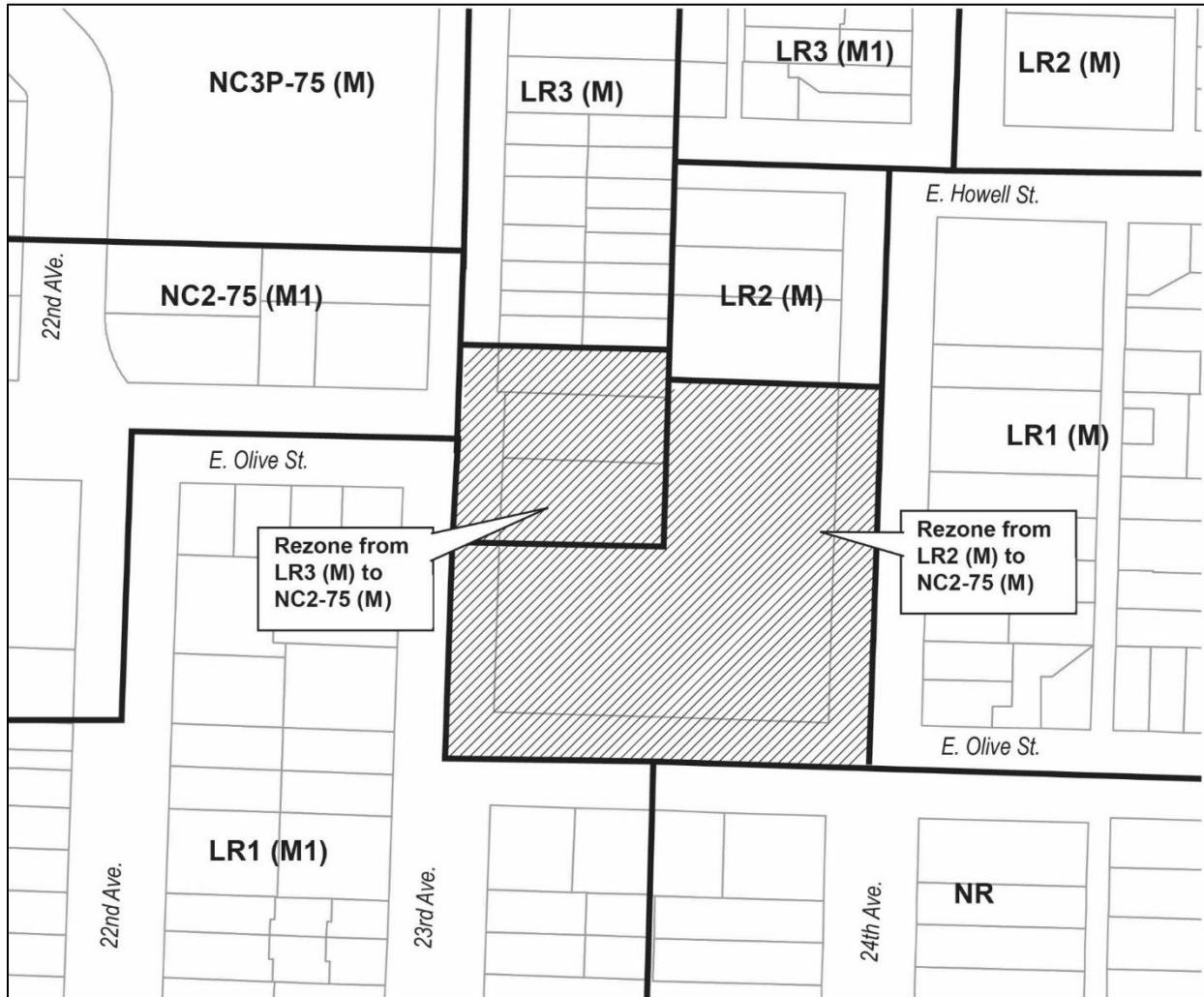


**Summary of Zoning Changes – Key Development Standards
University District Rezone Area**

	Existing MR Zone	Existing NC3-75	Proposed SMU 75-240
Maximum Height	80’	75’	Base of 75’ for midrise structures 240’ for highrise structures with bonuses
FAR Limit	4.5	5.5	Base FAR for all uses is 7 Maximum FAR for non-residential uses 10 Maximum FAR in a mixed uses development
Allowable Uses			Required street level commercial, civil, or community uses.
Typical New Development in the Zone	7- or 8-story apartment building	Mixed-use building with commercial on ground floor, housing above	Midrise or highrise buildings with commercial on ground floor, office and residential uses above

The primary effect of the proposed rezones to SMU 75-240 would be to allow taller buildings, greater floor area, and a broader mix of uses than currently permitted. Maximum height would increase from 75–80 feet in the MR and NC3-75 zones to up to 240 feet for highrise residential structures in the SMU 75-240 zone. FAR limits would expand from 4.5 in MR and 5.5 in NC3-75 to a base FAR of 4.75, with a maximum of 10 for mixed-use projects, substantially increasing development capacity. Allowable uses would continue to require street-level commercial, civic, or community uses, reinforcing an active pedestrian environment while allowing a wide range of office, residential, and other uses above. As a result, the typical new development in the zone would shift from 7- to 8-story apartment buildings or modest mixed-use projects to larger midrise and highrise mixed-use towers with commercial at the ground floor and significant residential space above. Under the proposed SM zone, maximum floor area and height above 75’ is only achievable if developments provide items from the incentives menu (i.e. open space, family-sized housing etc.)

Madison Miller Rezone Map



**Summary of Zoning Changes – Key Development Standards
Madison Miller Rezone Area**

	Existing LR2	Existing LR3	Proposed NC2-75
Maximum Height	40’	50’	75’
FAR Limit	1.4 for attached and detached homes 1.6-1.8 for stacked flats	2.3	5.5
Allowable Uses			
Typical New Development in the Zone	Mostly 3- and 4-story townhouses, Some 4-story apartments	Mostly 5-story apartments, some 3-story townhouses	Mixed-use building with commercial on ground floor and residential above

The primary effect of the proposed rezone would be to allow larger and more intensive development than what is currently permitted. Maximum height would increase from 30–50 feet in the Lowrise zones to 75 feet in NC2-75. Floor Area Ratio (FAR) limits would expand from a range of about 1.4–2.3 in LR2 and LR3 to 5.5 in NC2-75. Allowable uses would also broaden, shifting from primarily residential with some institutional uses in LR2 and LR3 to a wide mix of residential, retail, office, and other commercial uses in NC2-75, encouraging mixed-use activity. Accordingly, the typical new development in the zone would change from small- to mid-scale apartments or townhouses to larger mixed-use buildings with active ground-floor commercial uses and multiple stories of housing above.

Analysis

Comprehensive Plan Consistency

Rainier Beach Light Rail Station Area.

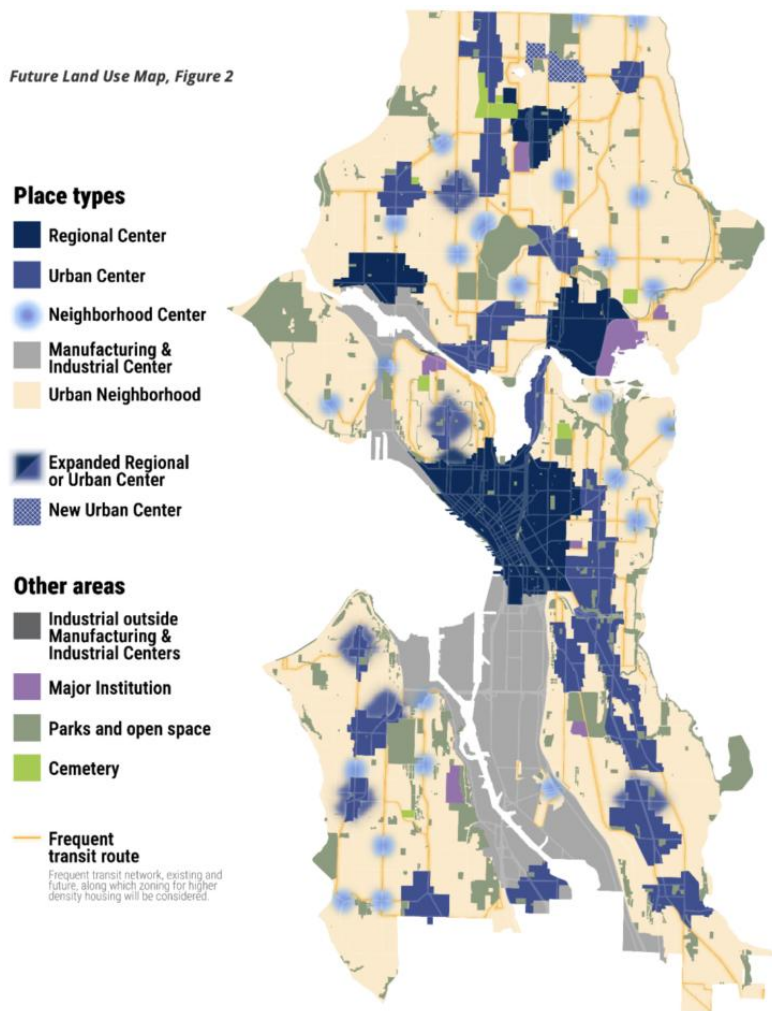
In the Seattle Comprehensive Plan, Rainier Beach is identified as an Urban Center as shown in the Future Land use map below. The plan designates Urban Centers as areas to accommodate meaningful residential and employment growth as well as concentrated investment in infrastructure, services, and affordability. Under this framework, Rainier Beach’s designation as an Urban Center affirms its role as a focal node for equitable growth. The proposal emphasizes community uses and nonprofit-led development. Therefore it is strongly compatible with the Seattle Comprehensive Plan as it aligns with the Plan’s core values of housing affordability, equity & opportunity, and inclusive community & neighborhoods by ensuring that growth in Rainier Beach benefits current residents, supports cultural institutions, and expands access to needed amenities without increasing displacement risks.

In Seattle Comprehensive Plan, Urban Centers near significant transit investments, especially light rail stations, may be appropriate locations for buildings greater than eight stories. The proposed rezone is

consistent with that framework. The site is located within approximately 500 feet of the Rainier Beach light rail station, and the proposal would increase height capacity on the west half of the block to match the Seattle Mixed zoning already in place on the east half. The Plan's Land Use element specifically states that Seattle Mixed zones are intended to address unique local conditions in high-density, mixed-use areas outside Downtown, including the Rainier Beach light rail station vicinity.

The proposal is also consistent with the plan's direction to support equitable development and community-serving uses. The Land Use element includes a policy to consider zoning pilot programs that demonstrate the social benefits of equitable development, including community-serving uses and housing serving a spectrum of household incomes through partnerships among public, private, and community-based organizations. The Capital Facilities element also calls for collaboration with public and nonprofit organizations to construct or expand community-based facilities and to pursue co-location opportunities for community programs and services. In that context, rezoning this site to facilitate affordable housing and community-oriented ground-floor uses by a nonprofit developer is consistent with the Seattle Comprehensive Plan.

The Seattle Comprehensive Plan Future Land Use Map



University District YMCA Vicinity

In the Seattle Comprehensive Plan, the University District is identified as a Regional Center. The Plan describes Regional Centers as places of regional importance with substantial housing, office, retail, institutional, and cultural or entertainment uses, together with access to regional transit. The University District is specifically listed as a Regional Center, and the Growth Strategy plans for it to accommodate 4,000 new housing units and 3,500 new jobs between 2024 and 2044.

The proposal is consistent with that framework. The Plan states that Regional Centers should allow a wide range of higher-density housing types and a wide range of non-residential uses, including office, retail, institutional, and entertainment uses. The proposed rezone would create a larger contiguous area of Seattle Mixed University District zoning and would expand redevelopment opportunities for properties owned by the YMCA, LIHI, and adjacent property owners in a location where the Plan anticipates substantial housing and employment growth.

The proposal is also consistent with the Land Use element's treatment of Seattle Mixed zones. The Plan explains that Seattle Mixed zones are intended to support unique local conditions in high-density, mixed-use areas outside Downtown, including the University District, and calls for using a range of Seattle Mixed zones and height limits to support the existing and desired character of those areas. In addition, the Plan supports equitable development and collaboration with nonprofit organizations to expand community-based facilities and co-located services. The proposed rezone would therefore further the Plan's vision for growth in the University District by supporting additional housing capacity, institutional and community-serving uses, and potential nonprofit-led mixed-use redevelopment in a major transit-served Regional Center.

Madison / Miller YMCA Vicinity

In the Seattle Comprehensive Plan, Madison–Miller is identified as an Urban Center. The Growth Strategy describes Urban Centers as areas with an important citywide role that include a wide range of housing, jobs, shops, and services and access to regional or local transit. The Plan also states that Urban Centers should allow a wide range of housing types and generally allow buildings of three to eight stories, and should allow a wide range of non-residential uses including office, retail, institutional, and entertainment uses.

The Proposed rezone is consistent with that framework. Rezoning the YMCA property and adjacent Ebenezer AME Church parcels to NC2-75 would support additional mixed-use development capacity in an Urban Center and would allow a combination of housing and community-serving uses in a location where the Plan anticipates a broad mix of residential and non-residential activity. The proposal is also consistent with citywide land use policies that support a wide variety of housing options, a wide variety of businesses and institutions that meet residents' everyday needs, and development that contributes to vibrant, equitable, complete, and walkable neighborhoods.

The proposal would also support the Plan's direction to remove regulatory barriers to uses that support equitable development and to collaborate with nonprofit organizations to construct or expand community-based facilities. In that context, allowing additional development capacity on sites owned by the YMCA and Ebenezer AME Church is consistent with the Seattle Comprehensive Plan's approach to

concentrating growth in centers while supporting community serving institutions and opportunities for housing.

Compatibility

Rainier Beach Light Rail Station Area.

The site is one block directly northwest of the Rainier Beach light rail station, within about 500 feet of the station platform. The site consists of the west half of a block where the current SM-RB 55 designation creates a split-zoned condition with SM-RB 125 already mapped on the east half of the block. Unifying the zoning across the entire block to SM-RB 125 is important to simplify the development process and enable Mt. Baker Housing's planned affordable housing and community-serving ground-level uses.

This change is also compatible with the surrounding context. To the north, the area transitions to Lowrise zones developed with townhouses; to the west, LR1 parcels with older single-family homes; and to the east and south, it directly relates to existing Seattle Mixed zoning, including SM-RB 125. The unified zoning provides an appropriate step between lower-intensity residential areas and higher-intensity mixed-use development at the station, ensuring a logical and context-sensitive fit within the neighborhood fabric. The change would provide a zone transition at the 42nd Avenue South Street right of way instead of midblock.

University District YMCA Vicinity

The site consists of the south portion of the block where the proposal would rezone four properties owned by the Seattle/King County YMCA and the Low Income Housing Institute (LIHI), along with the site of 10 townhouses, from Neighborhood Commercial 3 with a 75-foot height limit (NC3-75) to Seattle Mixed University District with a 75–240 foot height limit (SM-U 75-240). In addition, four adjacent parcels currently zoned Midrise (MR) would be rezoned to SM-U 75-240. This change would create a contiguous area of SM-U 75-240 zoning, aligning with the existing SM-U 75-240 designation directly across NE 50th Street. The change establishes a consolidated block of SM-U 75-240 zoning provides a strong opportunity for mixed-use redevelopment of the YMCA and LIHI properties, while also enabling coordinated planning and investment with adjacent parcels.

Madison / Miller YMCA Vicinity.

The proposal would rezone property between 23rd and 24th Avenues fronting on E. Olive Street, including land owned by the Seattle/King County YMCA, from Lowrise 2 (LR2) to Neighborhood Commercial 2 with a 75-foot height limit (NC2-75). Three adjacent parcels owned by the Ebenezer AME Church, currently zoned Lowrise 3 (LR3), would also be rezoned to NC2-75. In total, the rezone area encompasses four parcels covering approximately 1.4 acres. The surrounding context supports this change, as the northwest portion of the area already carries the same NC2-75 designation, while the remaining surroundings include a mix of Lowrise zones and Neighborhood Residential to the southeast, creating a transition of uses and building scales.

Housing

Each of the rezone areas would amplify the amount of housing production that could occur on and near the community-based uses by allowing a greater number of upper stories of residential construction

over community-uses at ground level. The following is a general estimate of housing production that could result in an intermediate 10-year planning horizon.

For each of these areas it is unknown whether additional property in the rezone areas beyond the community-based sites (YMCA and Mt. Baker Housing) would redevelop, potentially in combination with the community-based sites. General assumptions about the total amount of land that would be redeveloped and the likely scale of potential development are made.

Rainier Beach Light Rail Station Area

OPCD estimates that an additional 200-275 homes could be created. If it were a typical market-generated development this would create an estimated \$2 million - \$3 million of MHA proceeds for. The actual quantity of affordable housing would probably be significantly greater since a large portion of the development would be 100% affordable. Mt. Baker Housing envisions a potential development with over 40% of homes being affordable family-sized 2 and 3 bedroom homes.

University District YMCA Vicinity

OPCD estimates that an additional 300-385 homes could be created. If it were a typical market-generated development this would create an estimated \$6 million to \$10 million of MHA proceeds for affordable housing. The actual quantity of affordable housing would probably be significantly greater since a large portion of the development on the YMCA site would be entirely affordable housing.

Madison / Miller YMCA Vicinity

OPCD estimates that an additional 200-240 homes could be created. If it were a typical market-generated development this would create an estimated \$3 million to \$5 million of MHA proceeds for affordable housing. The actual quantity of affordable housing would probably be significantly greater since a large portion of the development on the YMCA site would be entirely affordable housing.

Remove code barriers to affordable housing, passive house, modular and mass timber construction

Background and Proposal

During the 2024-2025 State Legislative session the legislature passed Second Substitute House Bill 1183 (ESHB 1183) "incentivizing affordable and sustainable building practices through building code and development regulation reform". The bill limits regulations cities can impose on residential development. Section 6 prohibits facade modulations or upper level setbacks as a condition of permitting the following types of residential projects:

- affordable housing
- construction meeting passive house requirements
- conversions to residential within existing structures
- modular construction
- mass timber construction

The currently-proposed legislation directly implements 2SHB 1183 by adding an exemption into SMC 23.40 Compliance with Regulations – Exceptions, for any of the types of construction listed above from any upper-level setback and façade modulation requirement anywhere in the Seattle Municipal Code Title 23.

Although the City of Seattle is not required to implement the mandates of 2SHB 1183 until 2028, the City is seeking to implement Section 6 early to reduce barriers to housing construction. Upper-level setbacks and façade modulation requirements present a unique challenge to construction using passive house methods, modular construction methods, and mass timber methods because those construction methods can't accommodate frequent modulations due to the inherent properties of the materials and/or panels. However, these construction methods are sustainable and can result in relatively lower cost housing development in certain circumstances. Therefore, removing modulation and upper-level setback requirements will facilitate increased housing production.

Seattle's land use code includes upper-level setback requirements in several zones including but not limited to certain Neighborhood Commercial zones, numerous downtown zones, and in some specific areas such as the Roosevelt neighborhood.

Analysis

2SHB 1183 requires that cities in Washington make the type of changes in this proposed legislation. The only aspect of this action at the city's discretion is the timeline. OPCD is recommending that Seattle make the zoning changes earlier than required by State law – the deadline would be in 2028. There could be some minor impact from the changes on the bulk and scale of upper levels of structures built in certain zones. Construction in mass timber or passive house standards is not yet widespread and constitutes a small percentage of buildings built today. Since the relevant types of construction and affordable housing are likely to be a small percentage of all development, the scale of impact from the change would be moderate. The practical scale of construction using mass timber or modular methods under today's conditions is generally limited to midrise buildings, although a few intermediate mass timber towers in the 12-18 story range have been built in the Pacific Northwest in the last five years. It is unlikely that mass timber towers greater than 18 stories will be constructed in the foreseeable future – meaning that the impact of the upper-level setback waiver in Seattle's downtown zones would have a moderated effect – since most tower built in downtown Seattle with conventional construction methods far exceed those heights. The primary effect of implementing section 6 of HB 1183 early is giving several potential residential development projects that are exploring the use of mass timber or passive house construction methods, including for affordable housing, a greater likelihood of moving forward to construction in the next few years.

Increase height limits and modify development standards to encourage more housing in Belltown

Background

While most of Downtown has received major upzones in the last 25 years, zoning in Belltown has had minimal increases since 1985. Outdated zoning parameters create inefficiencies for development and

may be constraining infill housing in a relatively strong housing market area. This proposed legislation would increase height limits for residential uses by 50 – 100 feet and make other minor adjustments to coverage and story size limits to encourage moderate scale residential towers.

Proposal

This proposed legislation would make several amendments to the Land Use Code text to address zoning inefficiency and support residential development in Belltown. These amendments would apply specifically within the Belltown neighborhood and they would be for a limited time period through year 2028. The intent is to encourage development in the near term, and to allow for permanent or more comprehensive zoning updates to occur following adoption of a new Downtown Subarea Plan.

The amendments are:

For Downtown Mixed Residential (DMR) zones with a 95' height limit, increase allowed height by 50' to a maximum of 145'.

For Downtown Mixed Residential (DMR) zones with a 145' height limit, increase allowed height by 100' to a maximum of 245'.

Increase the allowed coverage limits for upper stories of buildings, above 65' by 5%.

Increase the maximum allowed story size for buildings above 145' tall from 8,800 sq. ft. to 10,700 sq. ft.

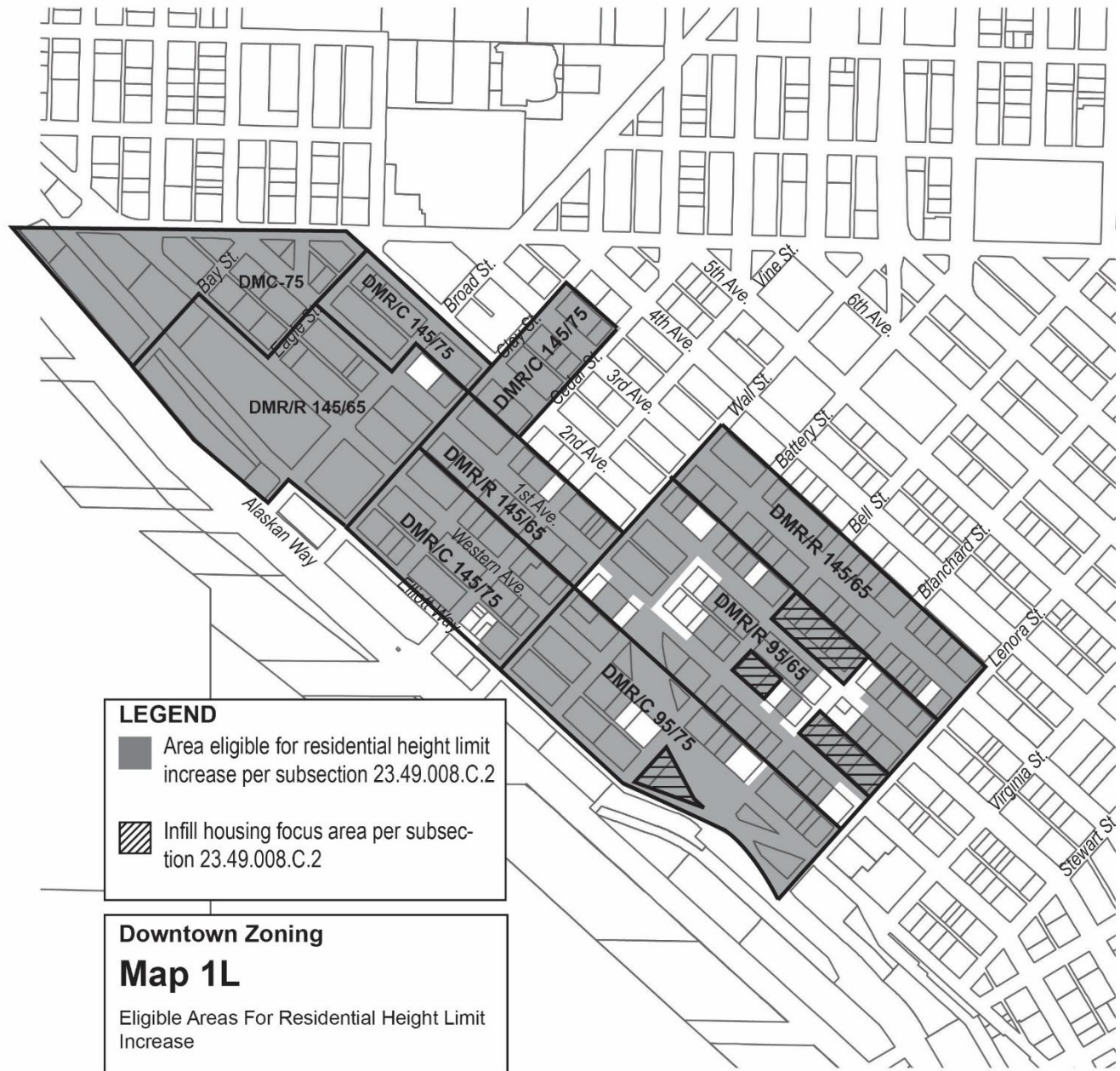
Exempt lodging uses from FAR limits in the DMR zone zones.

The proposal considers unique characteristics of Belltown. Belltown community members value the small shops and storefronts, unique local businesses, and the historic character of the neighborhood. Belltown is known for vibrant and active street level uses. Engagement during the City's Downtown Subarea Plan process ongoing in 2025 affirms these priorities.

To address the priorities, the proposed legislation exempts historic landmarks and other character structures from the increased height allowance. This aspect of the proposal is intended to keep the status quo for valued character structures and local businesses, and avoids the perception of an increase to development pressure on these sites. Intent is to spur potential infill development on key opportunity sites – especially vacant land and surface parking – while retaining character businesses and structures. See map on the following page. Only the sites shaded in gray are eligible for the increased height.

The legislation identifies two particularly strong candidate areas for infill housing. These are the northeast corner of Bell St. and 1st Ave., and the half block fronting onto 2nd Ave. between Bell St. and Blanchard St. These areas feature vacant land or underused structures and are well-positioned to receive revitalizing investment with dense housing. The legislation allows an extra height increase to 245' within the existing DMR/R 95/65 zone for these areas.

Eligible Area for Belltown Height Limit Increase



Analysis

Comprehensive Plan consistency

In the Seattle Comprehensive Plan, Downtown Seattle is identified as a Regional Center. Regional Centers are described as places of regional importance with substantial housing, office, retail, institutional, and entertainment uses and access to regional transit. The Plan recognizes that large Regional Centers, particularly Downtown, contain multiple neighborhoods with distinct identities and roles within the broader center.

Belltown is one of the established neighborhoods within the Downtown Regional Center. Citywide land use policies for Regional Centers support high-density development, a wide range of housing types, and a broad mix of residential and non-residential uses to sustain vibrant, walkable neighborhoods and support the concentration of jobs and housing in these locations.

The proposed legislation affects the Downtown Mixed Residential (DMR) zone in Belltown. Downtown mixed residential areas are intended to support predominantly residential communities within Downtown while allowing compatible non-residential uses that contribute to neighborhood vitality. The proposed legislation increases the allowed height for residential uses and makes limited adjustments to development standards in order to encourage additional housing development. Because the increased height allowance applies only to residential uses and does not expand commercial development capacity, the proposal reinforces the residential emphasis of the DMR zone.

The proposal is consistent with the Seattle Comprehensive Plan's direction to accommodate substantial housing growth within Regional Centers. The Plan's growth strategy anticipates that Regional Centers such as Downtown will accommodate a large share of the city's future housing and employment growth. Allowing additional residential density in Belltown supports that strategy by enabling infill housing development in a centrally located neighborhood with access to transit, jobs, and services.

The proposal also supports the Plan's direction to maintain a vibrant urban environment in Downtown through a mix of uses and active street-level conditions. The legislation does not modify existing street-level development standards or requirements intended to support pedestrian activity and active ground-floor uses. In addition, the legislation excludes historic landmarks and other identified character structures from eligibility for increased height limits. This approach helps maintain valued historic resources and neighborhood character while directing new development capacity to opportunity sites such as vacant land and underutilized properties.

Overall, the proposal advances the Seattle Comprehensive Plan's objectives for the Downtown Regional Center by encouraging additional housing development, supporting a dense and vibrant residential neighborhood, and directing growth to areas with strong access to transit, employment, and urban amenities.

Compatibility

The proposed legislation would allow for development that is compatible with the overall vicinity of the Belltown neighborhood and north Downtown (including Denny Triangle, Commercial Core). However, the proposed legislation could create localized incompatibilities in scale and development character within the Belltown neighborhood.

The increase to height limits for residential towers (by 50 and 100 feet) could introduce a scale of development in localized areas that is somewhat different from and larger/taller than neighboring structures. This could occur if new mixed-use towers are built on infill sites – in which case the tower portion of the new buildings in the affected areas would likely be 5-10 stories greater than structures on neighboring sites. Due to increases in the proposed legislation for floor plate size, these towers could also be incrementally wider than other existing tall structures in Belltown. This juxtaposition is not

necessarily bad, since variety of scales and characters is an interesting aspect of urban life, and the higher structures would provide housing opportunities. Nonetheless, the legislation would have potential to moderately increase the degree of incompatibility between new infill structures and existing built context.

With respect to allowed uses there would be no increased incompatibility because the Belltown neighborhood is already a predominantly residential area, and the proposal would further increase the residential aspect of the district.

The proposal would be compatible with broader development patterns and context in the north part of Downtown. Areas in blocks east of the affected area in Belltown already allow for and contain residential towers of equal or greater scale than would be allowed by the proposed legislation. In the nearby neighborhoods of Denny Triangle and the Commercial Core, tower heights much greater than proposed by this legislation are allowed and already exist in ample amounts.

The impact of scale incompatibility would be moderated by the fact that the proposed legislation is time limited. There are likely to be a handful of development proposals during the 3-year effective period of the proposed height limit allowance. Following the three-year period the City may reevaluate the merits of taller towers in Belltown after conclusion of the Downtown Subarea Plan process.

Housing

The proposed legislation has the potential to increase housing production in Belltown. The proposal is intended to make new residential development incrementally more financially viable, which could spur stalled projects or projects on the margins forward to development during the 3-year period. It is anticipated that these projects would be on vacant or underused development sites. It is difficult to anticipate the amount of development that would occur during the 3-year period because the economic climate and individual decisions by property owners are unpredictable. For a rough estimate, based on available information and anecdotal conversations, OPCD estimates that about five development projects could move forward during the timeframe in an optimistic scenario. If five development projects did move forward OPCD estimates that they could yield an estimated 900 – 1,200 total housing units, which would generate \$14 million - \$19.2 million of MHA proceeds for affordable housing.

Remove code barriers to conversion from commercial space to housing in more zones

Background

During 2024 the City passed Ordinance 127054, removing zoning barriers to the conversion of existing commercial structures to housing. That legislation focused on downtown and other zones that contain a lot of commercial and office uses. However, the State legislation from 2024, (HB 1042) calls on cities to remove barriers in all zones that allow housing. The currently proposed legislation makes corrections to ensure zoning code barriers are removed in all housing zones including zones that don't typically contain significant commercial uses.

In addition to Ordinance 127054, in early 2025 the City also passed legislation enabling a sales and use tax deferral for conversion of underutilized commercial space to housing, Ordinance 127181. The sales and use tax deferral was made available to cities by Senate Bill 6175 (ESSB). Following these two legislative changes, the City started to receive development applications for conversion of commercial space to housing. OPCD administers the tax deferral program and to date has issued preliminary approvals to three projects located in Denny Triangle, Uptown, and Ballard, and has received numerous additional inquiries by property owners and designers about the option to convert their underutilized commercial structures to housing.

Proposal

The proposed legislation makes technical changes to existing SMC Section 23.40.080 "Conversion to residential use in an existing structure", to add Lowrise (LR), and Neighborhood Residential (NR) zones to the list of zones that contain development standard waivers for conversion of existing commercial structures to housing. Other aspects of Section 23.40.080 are not substantively changed. The existing Section 23.40.080 waives Mandatory Housing Affordability (MHA) requirements as an incentive for conversions of existing structures to housing, and this opportunity would be extended by the proposed legislation to conversions in the LR, RSL and NR zones.

Analysis

The impact of this proposed legislation is primarily to achieve full technical compliance with State Law pursuant to HB 1042. The added zones (LR, and NR) do not contain many existing commercial uses. These zones generally do not allow non-residential uses as a principal use as they are intended primarily for residential uses and development. Pending changes being reviewed during the Seattle Comprehensive Planning process the zone would in the future allow a greater amount of small commercial uses in corner stores. There are rare or atypical instances of commercial structures extant in the LR and NR zones. Some of these are historic-aged commercial buildings that predate modern zoning codes, many of which are non-conforming to the current zoning regulations. Therefore, the primary substantive effect of the proposed legislation would be to make existing non-conforming commercial structures in the city's low-scale residential zones more feasible for conversion to housing.

Lake City – Incentivize Grocery Store Retention and Housing

Background

Access to healthy food is an important factor for the livability and desirability of a neighborhood. Increasingly Seattle and other cities are experiencing areas of food deserts. Grocery store closures and consolidations in recent years are contributing to food deserts.

In 2025 the Seattle City Council issued a statement of Legislative Intent (SLI) OPCD-0035-A requesting the Office of Planning and Community Development (OPCD), in partnership with the Office of Economic Development (OED) and Office of Sustainability and Environment (OSE), to submit a report outlining strategies to attract food retailers to food deserts. The resulting report included policy and zoning options to improve access to grocery stores in food deserts. Seattle's Office of Sustainability and Environment (OSE) published the [Food Action Plan](#). In September of 2025, the City announced a budget proposal to invest nearly \$12 million to significantly increase food access. This fall the City also

introduced legislation that would prohibit the use of restrictive or negative covenants preventing a property from being used as a grocery store or pharmacy. Taken together, these actions demonstrate the City's continued efforts to address the issue of food deserts.

In the fall of 2025, the Fred Meyer grocery store in the Lake City neighborhood was closed by the Kroger corporation. The store served as the area's primary grocery store and pharmacy. After the closure, residents will have to travel further to procure everyday groceries. The store was also the Lake City neighborhood's last pharmacy.

Proposal

Although the closure of the Fred Meyer grocery store is a decision by a private company that can't be affected by Seattle government, the City can take steps to incentivize the retention or re-establishment of a grocery store in the neighborhood in the future. The proposed legislation uses the City's land use regulations to encourage the redevelopment of land in certain zones to include a grocery store or pharmacy or other community-supportive land uses. The Lake City neighborhood is a location well positioned to receive additional density of infill housing in appropriate locations, including market rate housing and housing for all income levels.

The proposed legislation would amend the Land Use Code at SMC 23.47A.009 to provide several incentives for inclusion of a grocery store and housing in future development in Lake City. Incentives for housing development would have the effect of supporting the economic viability of redevelopment that is inclusive of a grocery store and/or pharmacy. In Lake City, in the Neighborhood Commercial zone with a 55 foot height limit (NC-55) only, and only on lots of 100,000 sq. ft. or larger the legislation would increase the allowed height limit 30' and add a 2.0 FAR bonus increment, for development containing 50,000 sq. ft. or more gross floor area that is dedicated at ground level for any combination of: grocery store, pharmacy, medical services, child care center, or elementary or secondary school, community club, or community center uses, and the dedicated space is easily accessible to the elderly and disabled, and is reserved for the life of the project. The development would also be required to include at least 200 residential dwelling units to qualify for the bonus increment.

Analysis

The proposed legislation would encourage inclusion of a grocery store and/or pharmacy and other eligible community serving uses at the time of future significant development in the NC-55 zone. The size threshold of at least 100,000 sq. ft. is intended to focus the incentive on sites that are obviously large enough to accommodate a grocery store and a substantial amount of housing. Two available sites are present in the affected area – the current Fred Meyer grocery store site and the First Student bus storage lot at the intersection of Lake City Way NE and NE 137th St. A few other locations in the area could achieve the 100,000 sq. ft. lot size threshold if other existing large lot sites were consolidated. An increase in the height limit of 30' in the NC-55 zone would enable development that approximates the scale of existing recent development near the center of the Lake City neighborhood. The proposed legislation could extend the geographic scope of where such mixed-use developments could be located. The resultant height limit with an added 2.0 FAR bonus increment that would likely result in buildings with a grocery store or pharmacy or other eligible uses at ground level plus 5 or 6 stories of residential development above.

Summary of Public Input

Varied streams of public input gathered via ongoing planning processes informed this Housing Opportunities legislation. OPCD also solicited direct community input on the specific legislative proposal. Public input is summarized for the purposes of this Director's Report. OPCD reviewed and considered public comments from varied sources and different formats.

Seattle Comprehensive Plan Update Process. OPCD considered content from the extensive public engagement process that accompanied the Seattle Comprehensive Plan major update between 2022 and 2025. In the Phase 1 engagement "Housing availability and affordability" was the highest priority issue for respondents. Respondents expressed a desire for additional housing and a wider range of housing types. In a community meeting series in 2023 when asked "what types of housing are needed where you live", the top responses were affordable housing, apartments, and a variety of options. This broad public engagement informs the Housing Opportunities zoning legislation. Specifically, the elements of the proposal to expand housing opportunities through zoning and development code changes (Fremont/Stone Way Rezone, Expanded Downtown Retail Core Rezone, Multi-Purpose Redevelopment on Sites with Community-Based Uses, Removal of Code Barriers to Passive House, Modular and Mass Timber Construction, Increase Residential Height Limits and Modify Development Standards to Encourage More Housing in Belltown, and Remove Code Barriers to Conversion of Commercial Space to Housing in More Zones) respond to the broad themes of public input received during the Seattle Comprehensive Plan update process.

Downtown Regional Center Subarea Planning Process. OPCD considered content from the extensive public engagement process that accompanied the Downtown Regional Centers Subarea Planning process in 2024 and 2025. Input directly from community in public meeting formats and in small group stakeholder meetings informed the Housing Opportunities legislation. A central theme of the engagement is the need to add more housing in downtown Seattle, especially as a measure to increase vitality and foot traffic. Public input was strongly in favor of converting underutilized commercial space to housing, and community members expressed a strong desire for increased foot traffic as a way to address perceived public safety concerns and address instances of disorder. An increase to the quantity of housing especially in neighborhoods that already have a strong residential base (Belltown and South Downtown) was seen as a promising measure to make downtown more safe and welcoming for everyone. Residents expressed a strong desire for livability features (i.e. open space, schools, and safe streets for walking) in conjunction with addition of more housing. Elements of the proposed legislation to rezone for expanded housing supply in downtown (Expanded Downtown Retail Core Rezone, Removal of Code Barriers to Passive House, Modular and Mass Timber Construction, Increase Residential Height Limits and Modify Development Standards to Encourage More Housing in Belltown, and Remove Code Barriers to Conversion of Commercial Space to Housing in More Zones) respond directly to the themes of public input from the Downtown subarea planning process.

OPCDs Office to Residential Call for Ideas. During 2023 OPCD invited design teams and building owners to submit proposals that explore converting existing office space into new residential and commercial uses. The design competition was a way to gauge public interest in actions by the City to spur conversion of office space to housing. Engagement included a showcase series of exhibitions where

project submissions were available to the public. American Institute of Architects, Seattle Architecture Foundation and the City of Seattle hosted a reception and all submissions were available to community online. Community input on the proposals was overwhelmingly positive, with few detractors or concerns expressed about the general strategy to facilitate conversion of underutilized commercial space to housing. The portion of the proposed Housing Opportunities legislation that facilitates conversions to housing is in direct response to this public input (Expanded Downtown Retail Core Rezone and Remove Code Barriers to Conversion of Commercial Space to Housing in More Zones).

Washington State Legislature ESSHB Community Input Process. OPCD reviewed and considered public testimony provided during the 2025 State legislative session on ESSHB. A variety of public commenters from the design, development, and sustainability/environmentalism communities testified in strong support of actions in ESSHB to facilitate mass timber and modular construction methods. Several of the commenters were stakeholders from Seattle. The portion of the proposed Housing Opportunities legislation that implements the requirements of ESSHB years early is in response to the strong public comment on the topic.

SEPA Determination and Public Announcement of Housing Opportunities Legislation. In addition to the broad public input that informed the crafting of the proposed legislation, OPCD also conducted engagement directly on the proposed legislation. OPCD posted all of the materials online including draft ordinance, director's report, and SEPA documents on its public-facing "DailyPlanIt" blog site. OPCD published two SEPA Determinations of Non-Significance, with SEPA checklists, and all associated materials in September and October of 2025. OPCD did not receive any written community comments from members of the public on the proposed legislation. OPCD received written comments from staff at the Seattle Department of Neighborhoods requesting clarification of information pertaining to historic preservation. OPCD received a comment from the Washington State Department of Commerce acknowledging receipt of materials and noting that the agency had no concerns about the proposal.

Recommendation

In consideration of the factors and information contained in this report and other information, OPCD recommends that City Council review the proposed legislation and adopt the proposed zone changes and Land Use Code text amendments. OPCD considered and balanced various policy priorities and acknowledges that the proposal could lead to changed conditions in localized areas near the opportunity sites and areas this bill directly addresses. OPCD notes that the timing of the proposed changes is more immediate than broader adjustments to growth and development patterns that are advancing in coming years through the Seattle Comprehensive Plan major update process and Regional Centers Subarea planning. The intent of forwarding this legislation now is to take short-term action to bring more housing and essential community-serving uses online soon where tangible opportunities exist for infill housing. All of the proposed changes are consistent with the City's recently adopted comprehensive plan for growth.

Appendix -1

Historic Landmark Information

There are four designated landmark buildings within the proposed rezone of the Downtown Retail Core area: Joshua Green Building, 1425 4th Ave Seattle, Holland/MiKen Building, 1417 4th Ave, Seattle, The Liggett Building, 1424 4th Ave, Seattle, and Great Northern Building 1404 4th Ave, Seattle. For reference, information is provided below about these landmarks.

Photo Credit: Joe Mabel Photos [Joe Mabel - Art and photography](#)
photo source: [www.en.wikipedia.org/wiki/Liggett_Building_\(Seattle\)](http://www.en.wikipedia.org/wiki/Liggett_Building_(Seattle))
photo source: www.joshua.greenbuilding.com
Photo credit: [Joshua Green Building](#)

Liggett Building

Address: 1424 4th Ave.

Constructed in 1927, the Liggett Building is a ten-story Gothic Revival office and retail building at the southeast corner of Fourth Avenue and Pike Street. Designed by Lawton and Moldenhour, the building was constructed with reinforced concrete and steel and clad in ivory terra cotta. Intended to support five additional stories (never built), its sculptural facade blends Tudor English and Venetian Gothic elements. A modern two-story retail base supports an eight-story office structure defined by Chicago-style windows, fluted piers, and ornate tracery. Decorative features include quatrefoil spandrels, finialed pinnacles, and ogee arches culminating in a richly detailed parapet.



Joshua Green Building

Address: 1425 4th Ave.

Constructed in 1912, the Joshua Green Building is a ten-story retail and office structure located at the southwest corner of Fourth Avenue and Pike Street. Designed with a nearly square footprint, the building features a cream-colored terra cotta façade characterized by wide window bays framed by decorative pilasters. The facade is horizontally layered with cornices and detailed vertical piers with acanthus leaf and shield capitals, creating a balanced rhythm on both street-facing elevations. Originally featuring glass-and-metal storefronts and multi-part transom windows, the ground and second floors have since been remodeled with modern materials, obscuring some of the original design intent.



Holland/MiKen Building

Address: 1411 4th Ave.

Constructed in 1929, the 15-story Building exemplifies a transitional modernist design with subtle Art Deco and Celtic influences. Designed in an "L" shape for optimal daylight exposure, the stone-clad structure features recessed spandrels and unornamented vertical piers that gently taper at the parapet. Notable for being the tallest Seattle building at the time to be fully clad in stone, it shares architectural lineage with other R.C. Reamer-designed buildings nearby, including the Great Northern Building. The facade's verticality and material quality convey a dignified and streamlined urban presence.



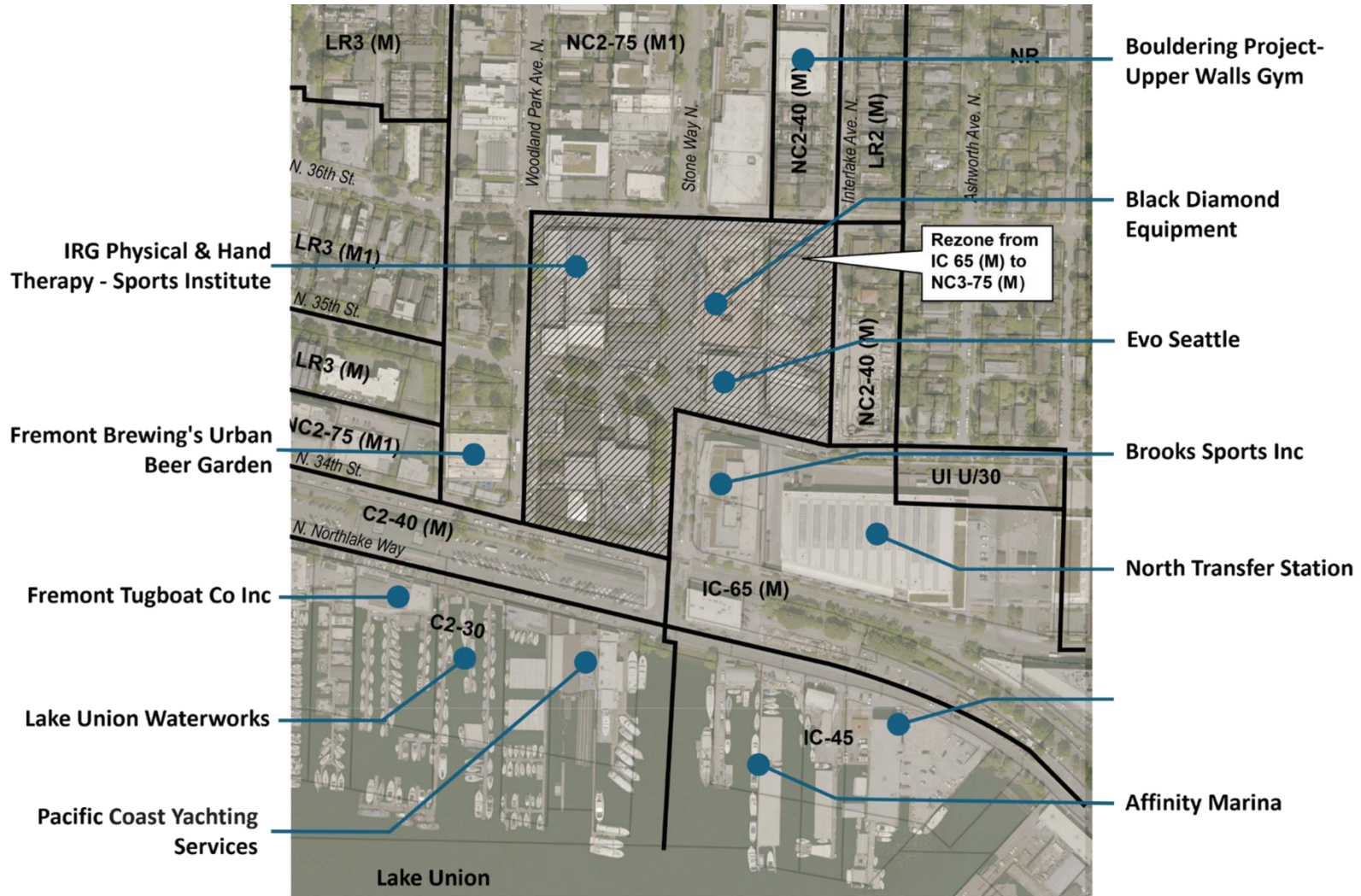
Great Northern Building

Address: 1404 4th Ave.

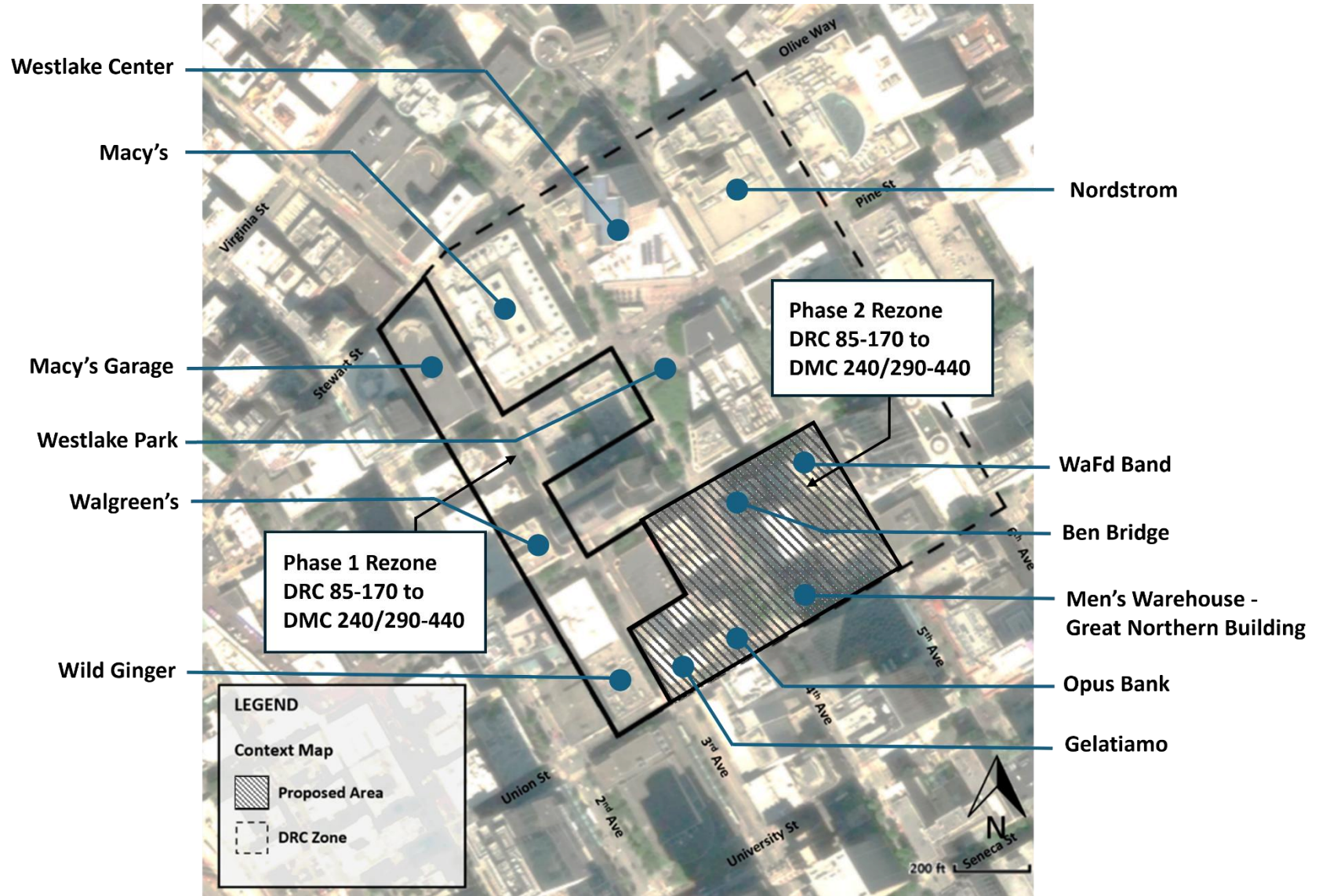
Completed in 1928, the four-story Great Northern Building was originally developed to house the main ticket office of the Great Northern Railroad. Designed by R.C. Reamer and noted as Seattle's earliest example of a modernistic medium-rise, the building signaled a transition from traditional Beaux-Arts ornamentation toward streamlined design. While some historic elements remain—such as floral plaster friezes—the ground floor has been significantly altered with modern windows, signage, and a bronze canopy. The building stands as a pivotal example of late 1920s architectural shifts toward simplified forms and restrained detailing.



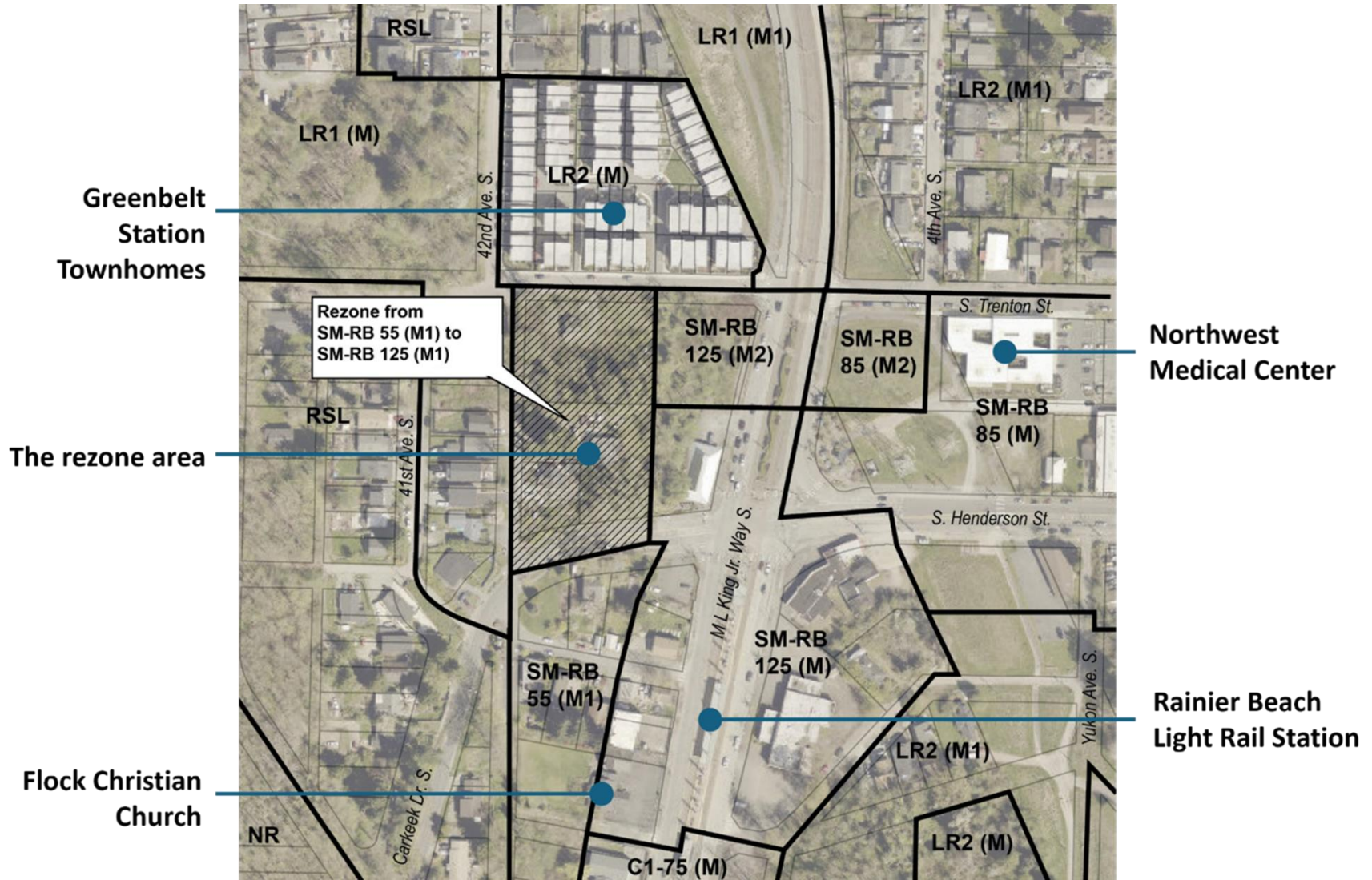
Appendix -2 Illustrative Maps of Zoning Change Areas Fremont/Stone Way



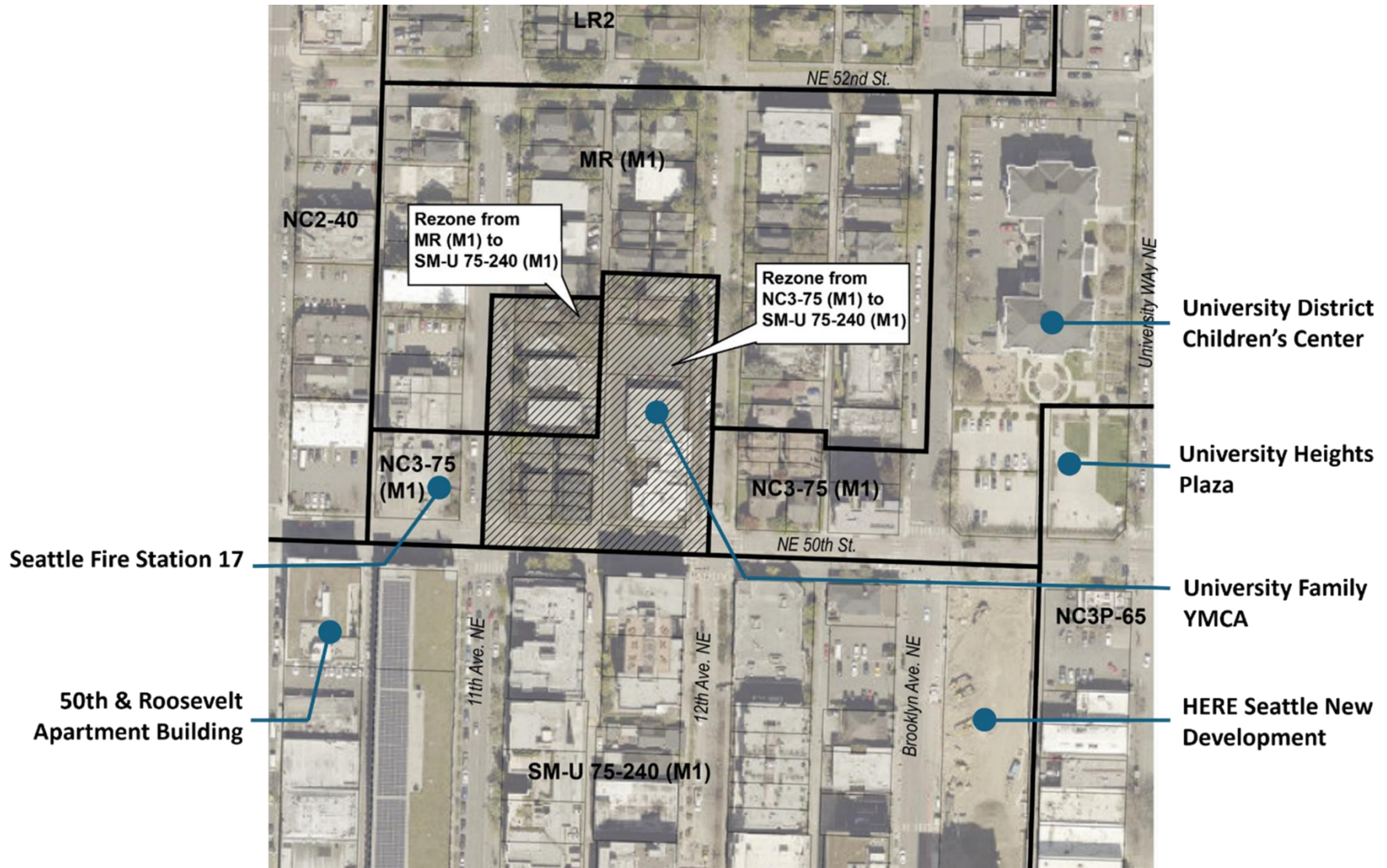
Downtown Retail Core



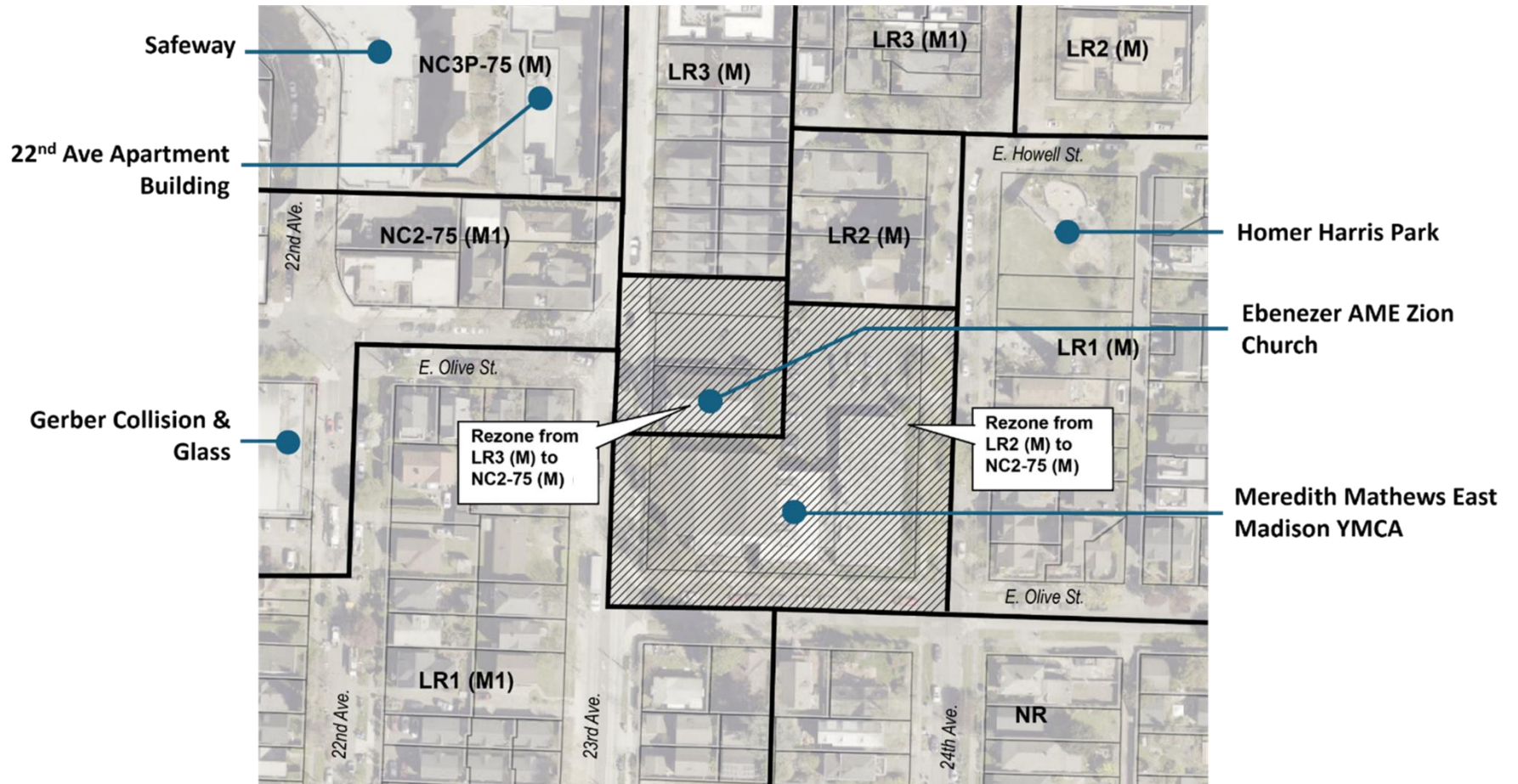
Rainier Beach



University District

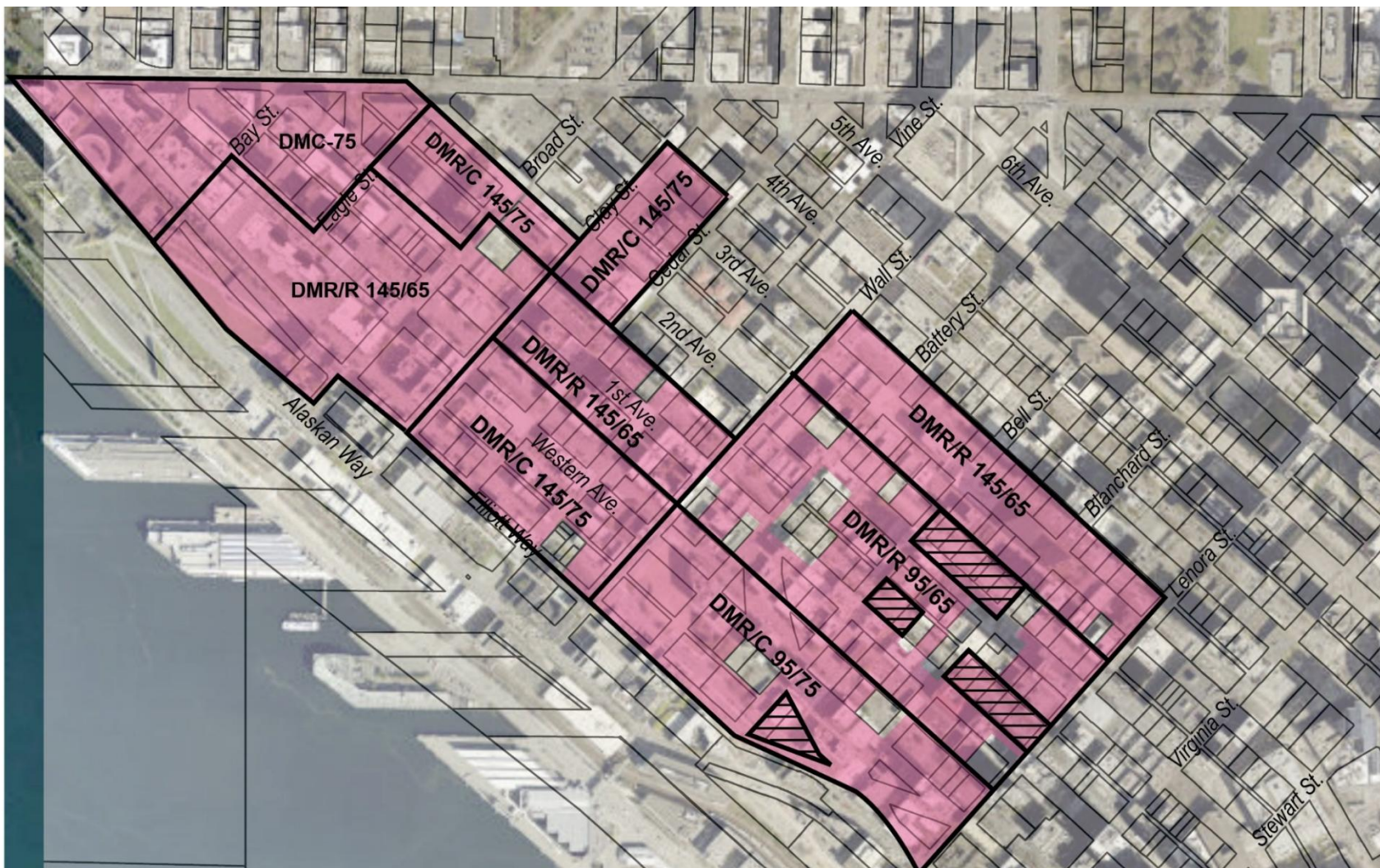


Madison/ Miller



Belltown

Areas indicated in pink are extra residential height allowance (+50' in DMR 95 and the DMC-75 zone, and +100' in DMR 145 zones).
Hatched areas are infill residential focus blocks for extra height limit allowance of +100' in DMR 95 zone.



Overview Briefing

Housing Opportunities Legislation

April 2026



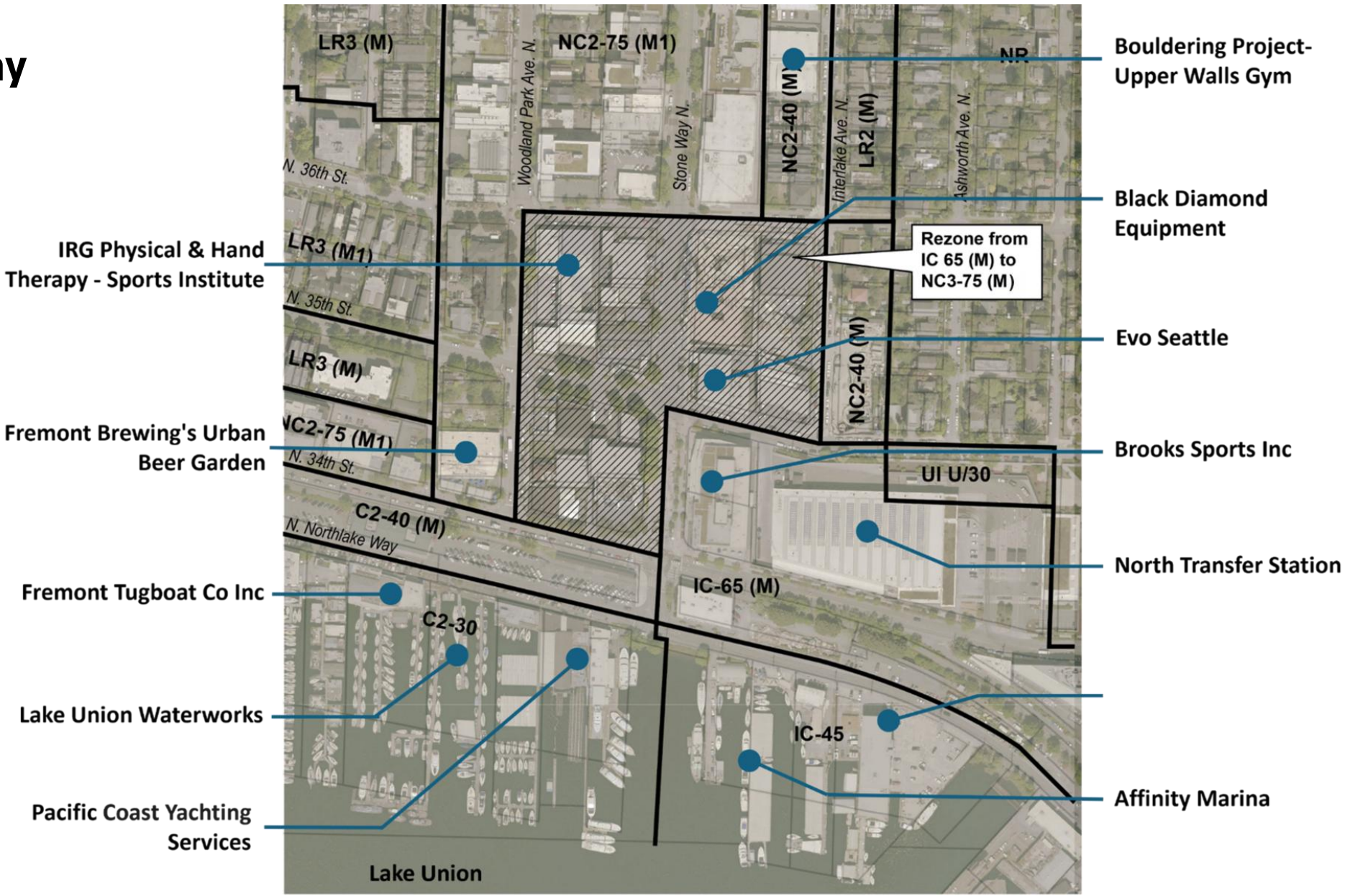
Housing Opportunities - Purpose

- Make focused changes to the City's land use code and zoning to support near-term investment in additional housing supply. (e.g. 1-3 years to enter permitting).
- Amplify housing production on opportunity sites and in areas that are well-positioned to spur new housing development without causing displacement pressure.
- Advance these changes while broader, more holistic changes to implement the new Comprehensive Plan work their way through the process.

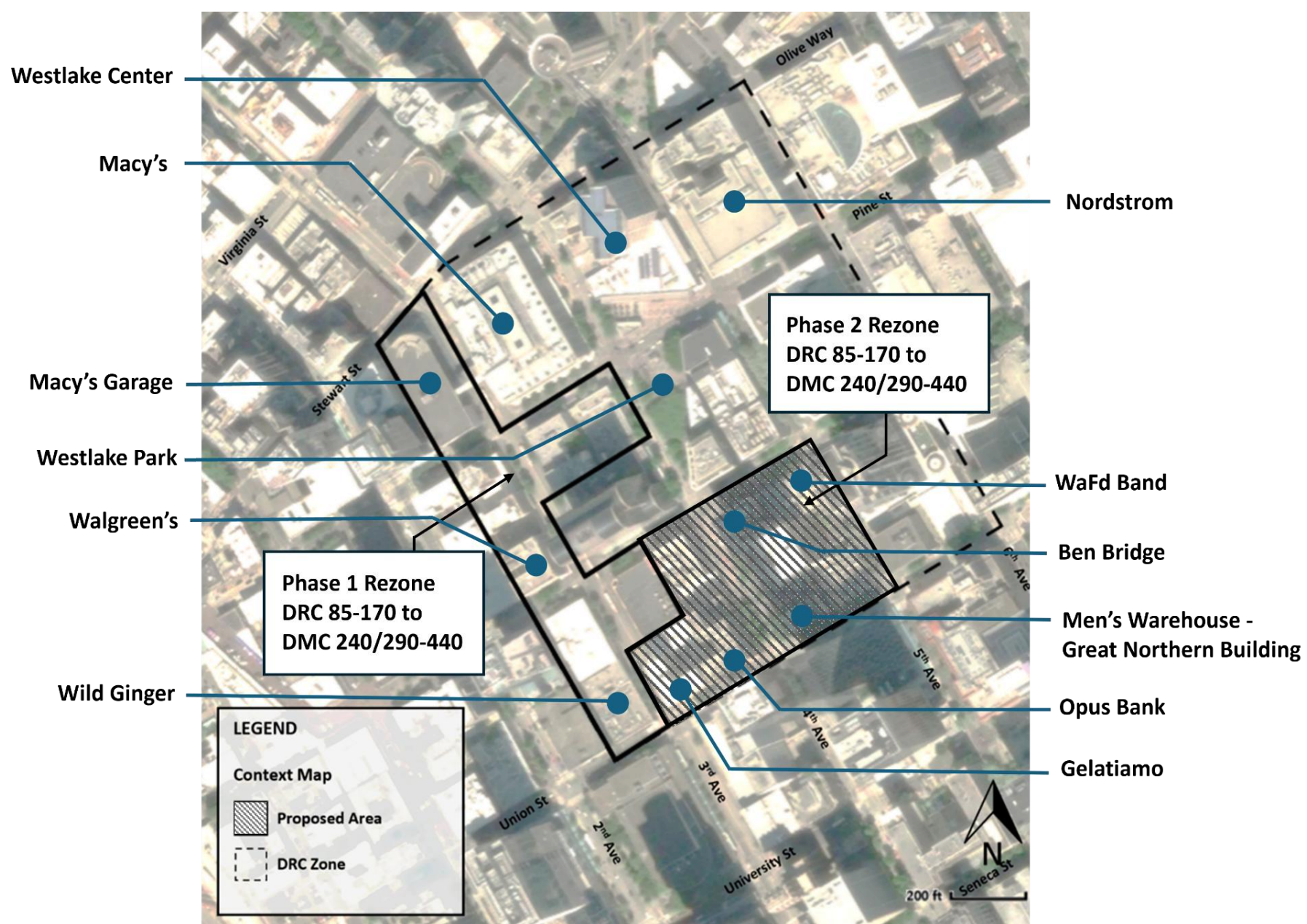
Housing Opportunities Legislation - Components

- Fremont / Stone Way rezone
- Expanded Downtown Retail Core (DRC) rezone
- Rezone to support multi-purpose redevelopment on sites with community-based uses
- Remove code barriers to passive house, modular and mass timber construction. (HB 1183 implementation)
- Increase height limits and modify development standards to encourage more housing in Belltown
- Remove code barriers to conversion from commercial space to housing in more zones
- Lake City - Incentivize grocery store retention and housing

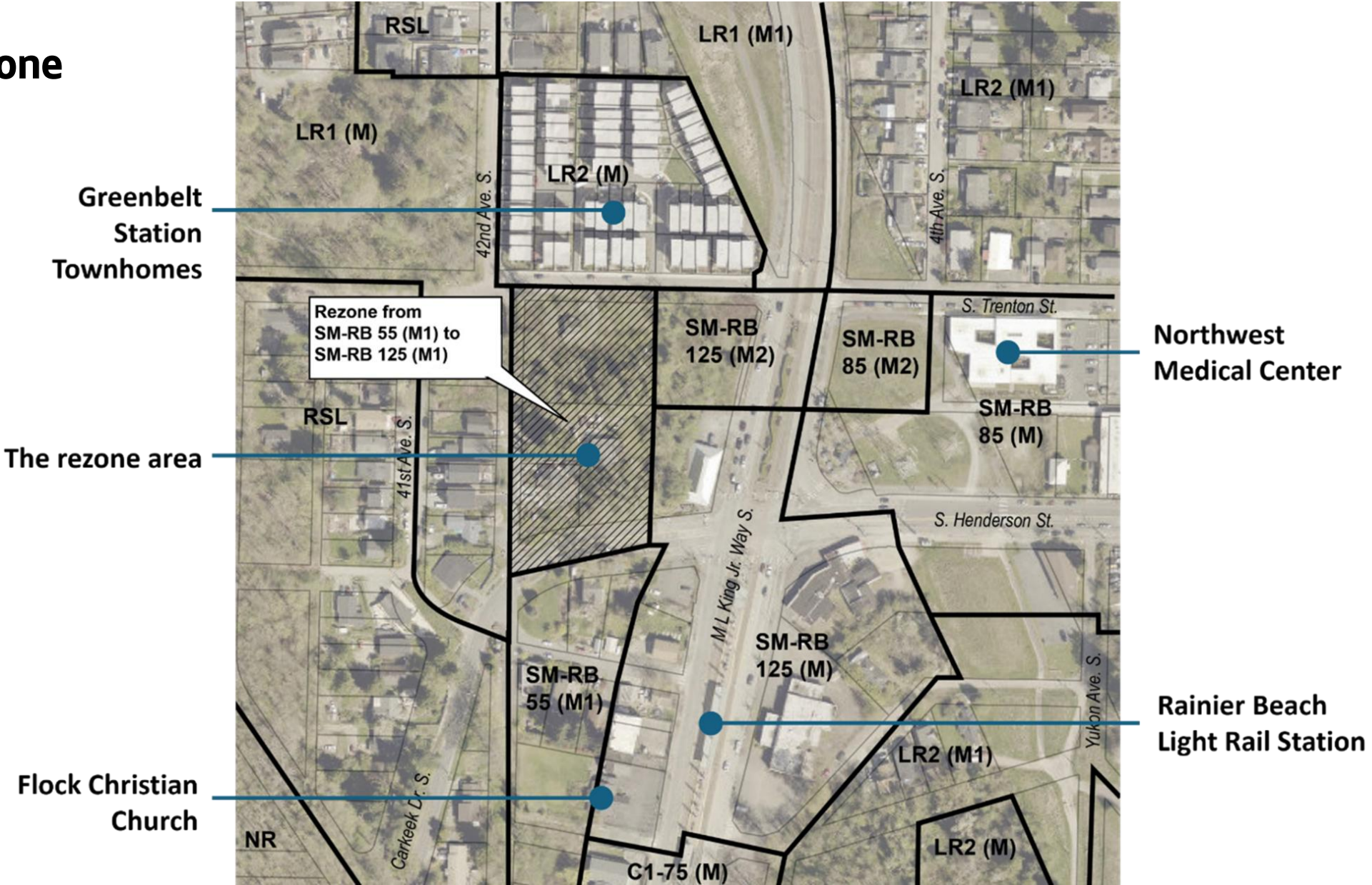
Fremont / Stone Way Rezone



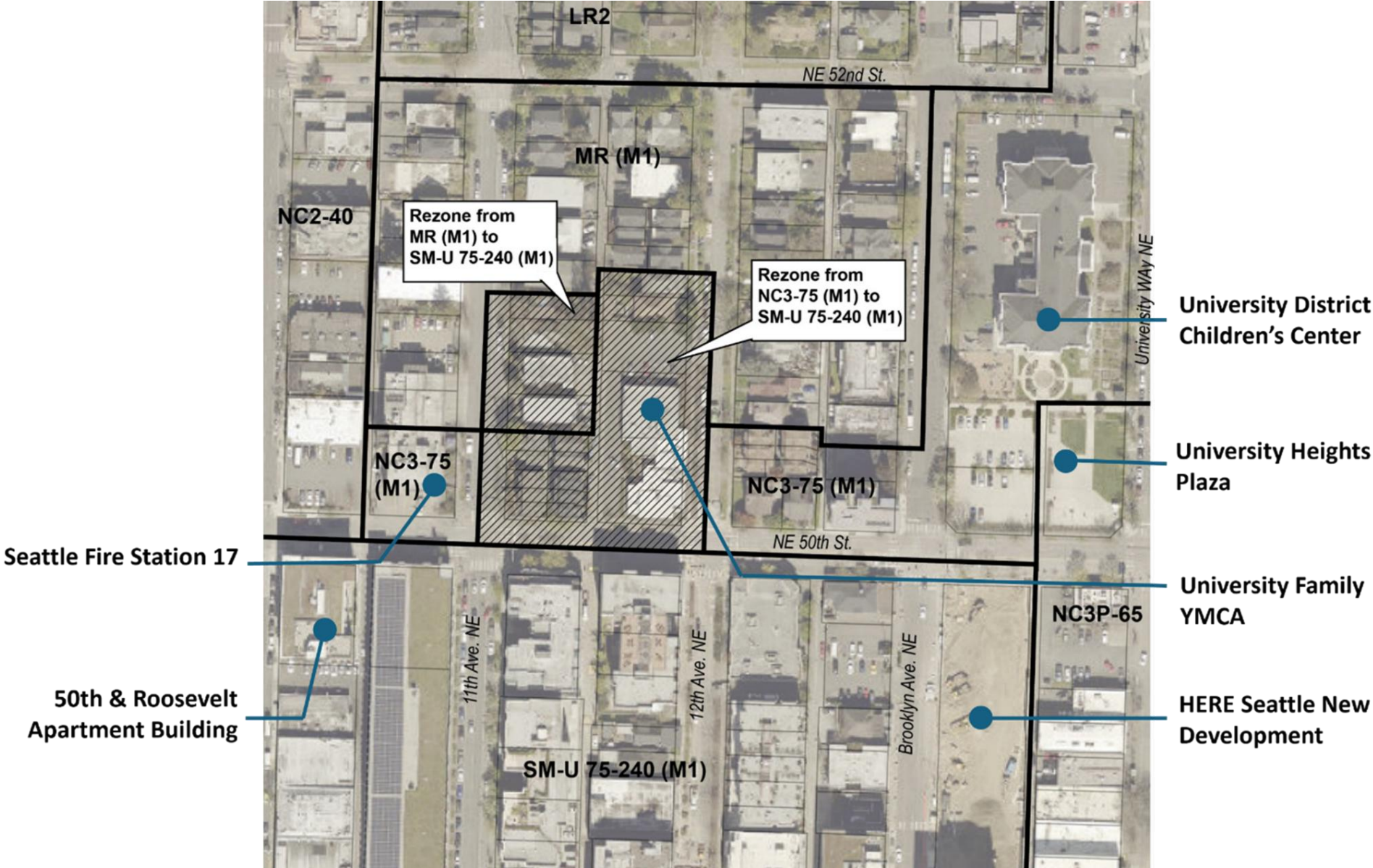
Expanded Downtown Retail Core Rezone



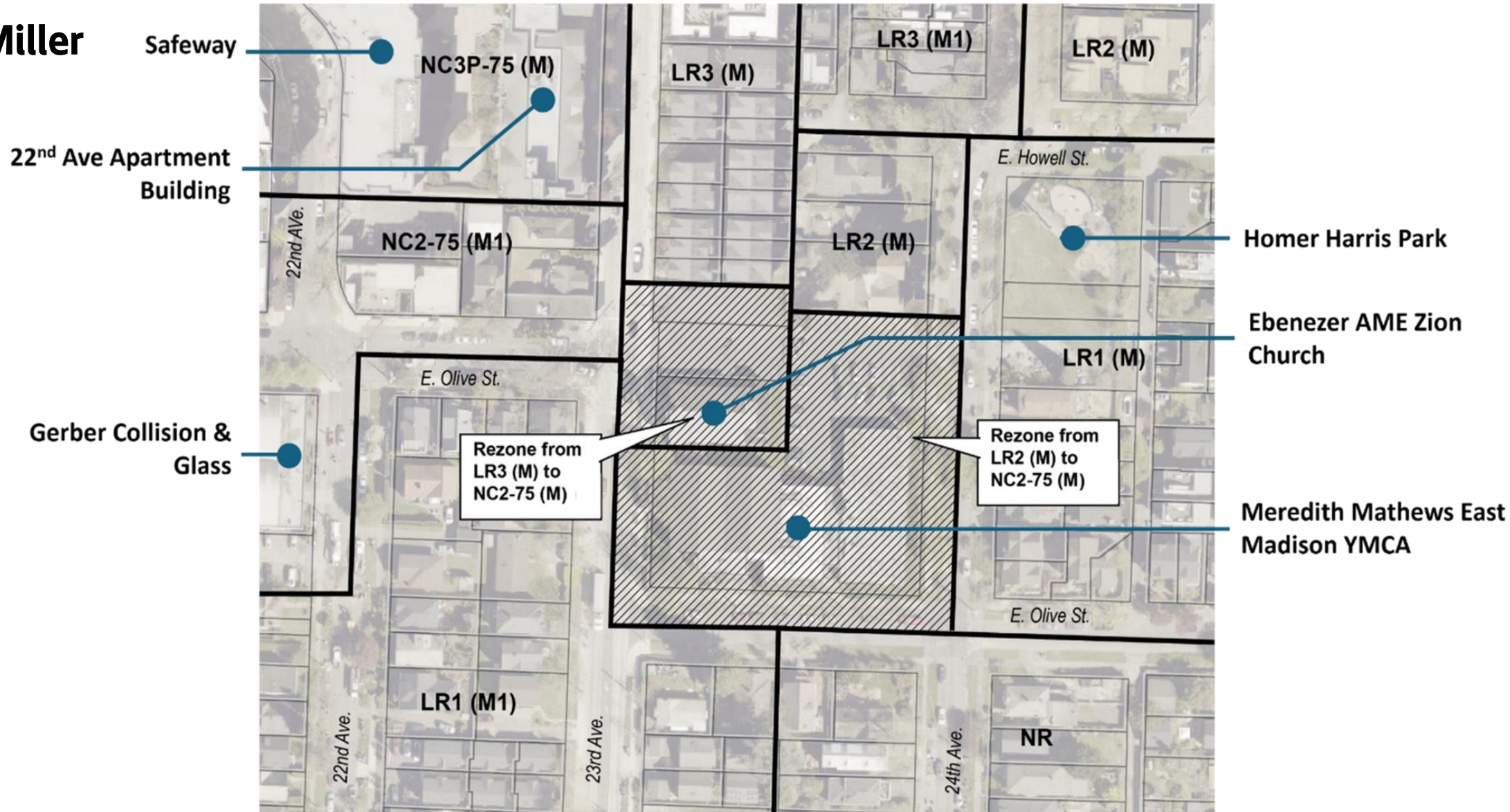
Rainier Beach Rezone



University District Rezone



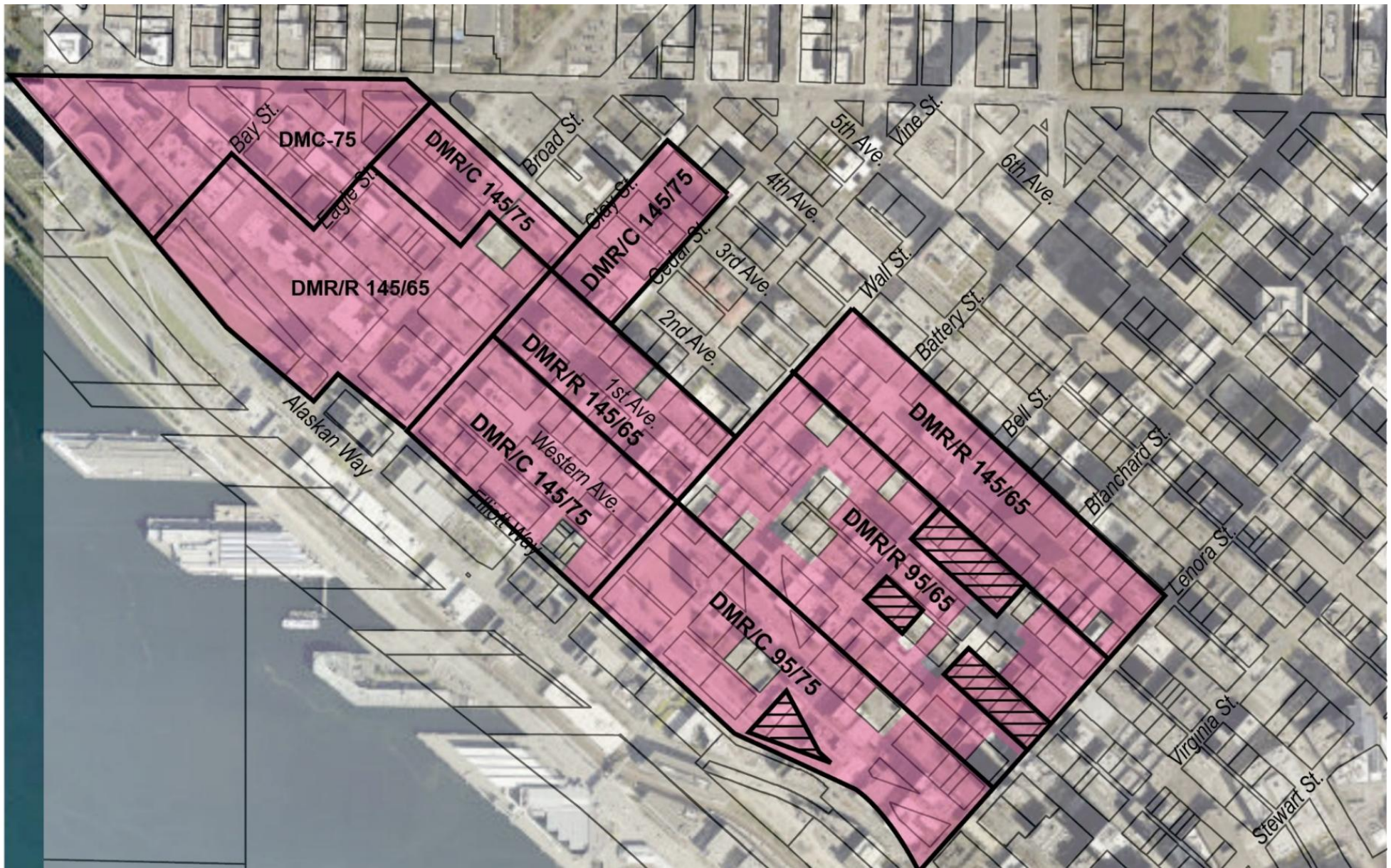
Madison / Miller Rezone



Belltown height limit increases

Areas indicated in pink are extra residential height allowance (+50' in DMR 95 and the DMC-75 zone, and +100' in DMR 145 zones).

Hatched areas are infill residential focus blocks for extra height limit allowance of +100' in DMR 95 zone.



Remove code barriers to passive house, modular and mass timber construction

New Section 23.40.090 Exception from facade modulation and upper-level setback requirements for certain types of residential projects.

(Early implementation of HB 1183 Section 6)

Residential developments of the following types of projects would be exempt from any facade modulation or upper-level setback requirement:

- Where 100 percent of the dwelling units in the development are affordable housing; or
- Where new construction meets passive house requirements; or
- Where retrofit of existing buildings meets passive house requirements; or
- That utilize modular construction; or
- That utilize mass timber construction.

Lake City - Incentivize Grocery Store Retention and Housing

Increase the allowed height limit 30' (from 55' to 85') and add a 2.0 FAR increment, for development containing the following:

- 50,000 sq. ft. or more gross floor area is dedicated at ground level for any combination of grocery store, pharmacy, medical services, child care center, or elementary or secondary school, community club, or community center uses; and
- Include at least 200 residential dwelling units in the development.

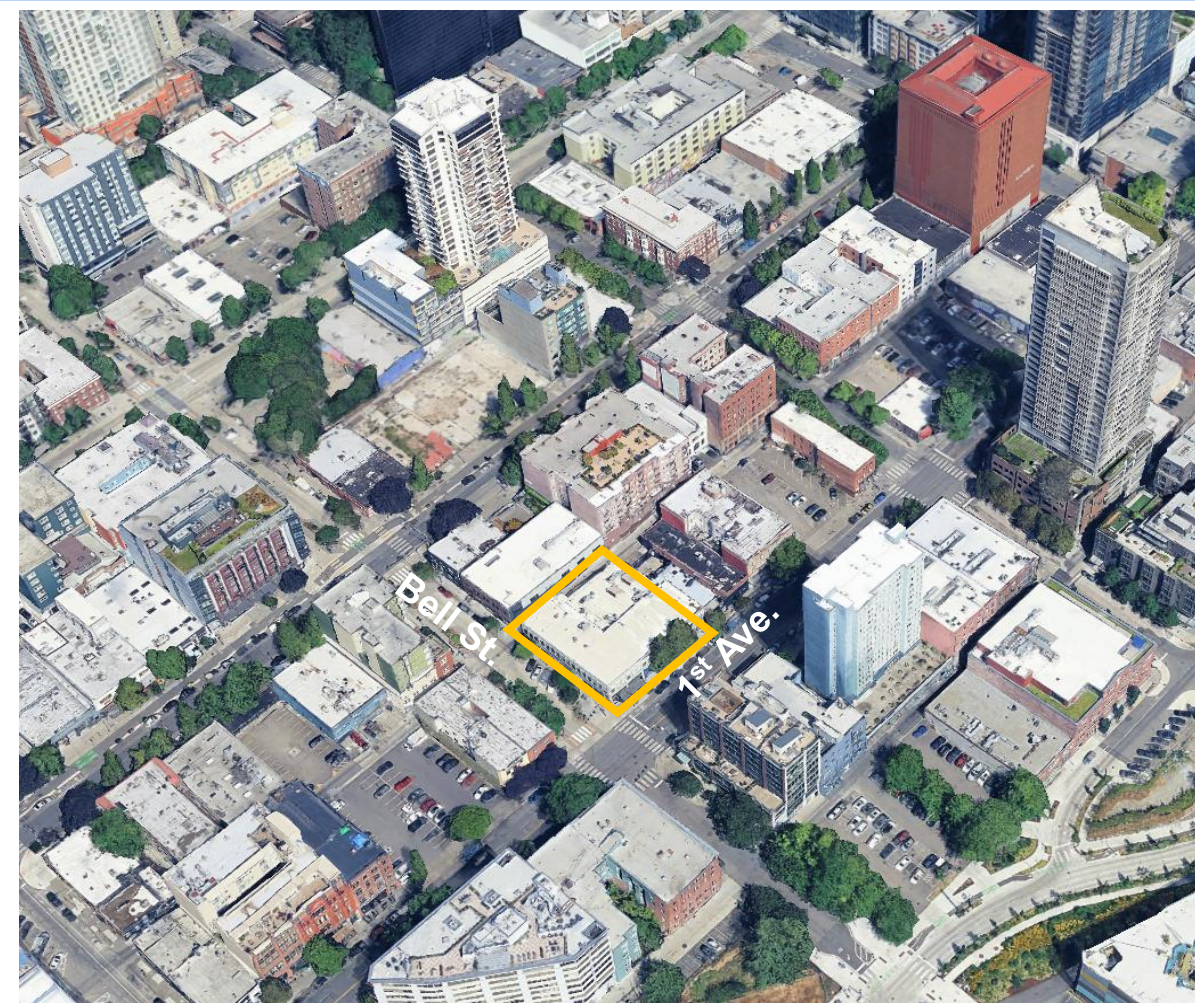
Example - Mass Timber Tower



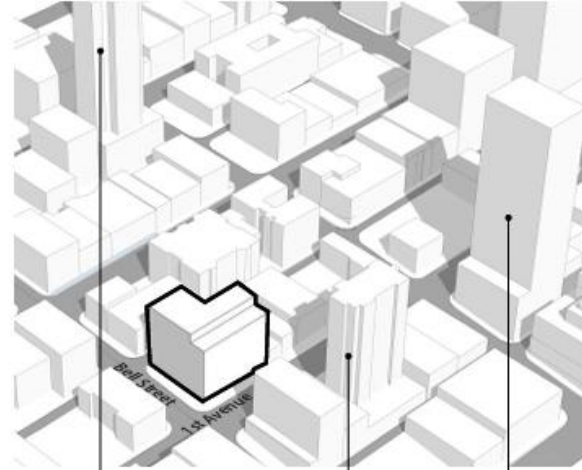
Akari House is a proposed 17 story hybrid mass timber tower with 117 homes at Seneca St. And E. Union St. in First Hill. It contains 12 stories of mass timber construction over a 5 story concrete and steel base. OPCD anticipates opportunities for similar intermediate-scale towers in more places in Seattle in future years if supportive zoning and development standards are in place.

Credit: Clarke / Barnes Architects.

Example Housing Opportunity

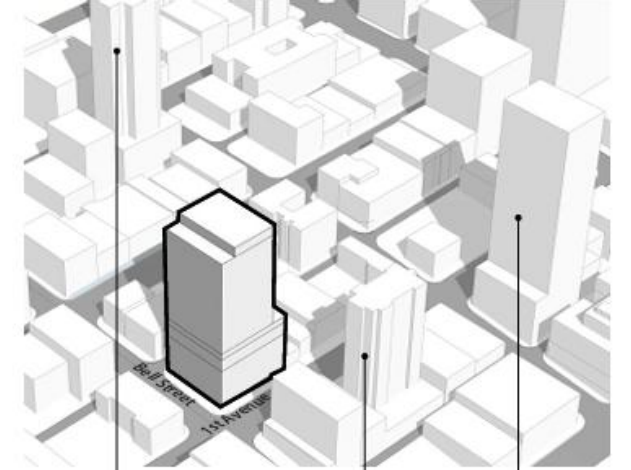


Existing Zoning: 95' Max



Grandview Condominium 210'
Bell Tower Apartments 175'
Continental Place 350'

Housing Opportunities: 195'



Grandview Condominium 210'
Bell Tower Apartments 175'
Continental Place 350'

The graphic compares potential development under existing zoning, and under the proposed Housing Opportunities legislation at 2228 First Ave. in Belltown. The proposed legislation would enable approximately 150 more homes (250 total). Without the legislation housing development is far less likely to be economically viable under current conditions.

Credit: Graphite Design Group architects.

Example Housing Opportunity



The proposed 35 Interlake building would be enabled by the proposed legislation. It is envisioned as a housing and hotel building with a retail courtyard. It would be added next to the Brooks world headquarters and the Evo retail and recreation uses.

Credit: Evolution Projects

Future Housing Opportunities

For the future, OPCD recommends that focused packages of zoning and land use code legislation similar to this housing opportunities bill be brought forward on a periodic basis.

Thank You

City of Seattle

Office of Planning & Community Development (OPCD)

Geoffrey.Wentlandt@Seattle.gov

May 20, 2026

MEMORANDUM

To: Land Use and Sustainability Committee
From: HB Harper, Analyst
Subject: CB 121196 – Housing Opportunities Zoning Amendments

Introduction and Overview

On May 20, 2026, the Land Use & Sustainability Committee will discuss Council Bill (CB) 121196, which would:

1. rezone certain areas around the City,
2. amend development standards to support increased development and multi-purpose redevelopment,
3. reduce requirements for passive house, modular, and mass timber construction, and for conversion from commercial space to housing in more zones, and
4. incentivize community-serving uses in certain areas.

The legislation contains five rezones and five types of development standard changes.

Legislation Components – Rezones

Fremont

The legislation would rezone 23 parcels in Fremont around Stone Way in Council District 4 from Industrial Commercial (IC) with a 65-foot height limit to Neighborhood Commercial 3 (NC3) with a 75-foot height limit. This area is located near several Seattle-based employers, such as Brooks Running and Evo. This would change allowed uses to prohibit heavier industrial type uses such as manufacturing, and to allow housing (permitted outright) and lodging (as a conditional use). It would also allow an additional 10 feet in height and double the allowable floor area ratio (FAR); a somewhat bulkier building could result. The proposed rezone would remove size limits on certain commercial uses (such as general sales and service and entertainment), while adding size limits on other commercial uses (like warehouses and heavy commercial sales). The new zoning would be proximal to NC2-75 and NC2-40, as well as Industrial Commercial with a 65-foot height limit and Commercial 2 with a 40-foot height limit, but no other NC3-75 exists in the immediate area.¹

¹ NC2 and NC3 mainly differ in terms of the amount of non-residential use that is permitted. Many uses, including office uses, lodging, and retail sales are limited to 25,000 square feet in NC2 zones. There is no maximum size limit for most nonresidential uses in NC3 zones.

Downtown

The legislation also rezones twelve parcels in Downtown from Downtown Retail Core 85-170 (DRC 85-170) to Downtown Mixed Commercial 240/290-440 (DMC 240/290-440) in Council District 7. This rezone would facilitate substantially taller residential tower structures. Permitted uses and other development standards would not be substantially different; some slight differences in bulk and massing may result from minor changes in FAR and floorplate sizes combined with tower spacing requirements. The new zoning would be contiguous with another area of DMC 240/290-440 to the west along Union Street and north on 2nd and 3rd Avenue, which was rezoned in 2023 under [Ordinance 126917](#).

The legislation rezones three distinct areas in support of nonprofits with community uses either in existence or planned.

- In the Rainier Beach area in District 2, a rezone from Seattle Mixed Rainier Beach zone (SM-RB) with a 55-foot height limit to the same zone with a 125-foot height limit aims to facilitate development on the Mt. Baker Housing Association site that is currently split-zoned. The new zoning would be contiguous with SM-RB 125 zoning to the east and southeast. West of the site is zoned Low Rise 1, and north of the site is zoned Low Rise 2. Development that occurs under the new zoning would be significantly taller.
- In the University District in District 4, 18 parcels including sites owned by the Seattle/King County YMCA and the Low Income Housing Institute would be rezoned from Midrise and Neighborhood Commercial 3 with a 75-foot height limit to Seattle Mixed University District zone (SM-U) with a 75-240 height limit. The new zoning would be contiguous with the SM-U 75-240 zone across NE 50th Street to the south. Development that occurs under the new zoning would be significantly taller, and a broader mix of uses would be permitted. The regulatory scheme in place for this zone emphasizes and incentivizes street-level commercial uses, open space, and family-sized housing, meaning taller or bigger buildings are only achievable through the provision of at least one of these types of public goods.
- In the Madison/Miller area in District 3, four parcels are proposed to be rezoned from LR2 and LR3 to NC2-75, to be contiguous with an area of NC2-75 to the northwest; all other surrounding zoning is LR and NR. The four parcels include a Seattle/King County YMCA as well as a religious institution. This rezone would allow taller buildings and more than twice the allowable FAR under current zoning; bigger and bulkier buildings would result. The rezone would allow a wider mix of uses making for more likelihood of mixed use development as opposed to purely residential construction.

The application of Mandatory Housing Affordability requirements would generate either on-site affordable units or proceeds toward the City's affordable housing fund if residential were to develop in any of the above rezoned areas.

Legislation Components – Planned Community Development Regulations

Planned Community Developments (PCDs) are a way to support the development of phased projects that provide public benefits in Downtown Seattle. Seattle Municipal Code (SMC) provides that PCDs may be permitted in most downtown zones and adjacent to downtown zones, with restrictions including a minimum size of 100,000 square feet. Properties of this size are somewhat rare; the Goodwill campus of sites on South Dearborn Street is one known location that would be eligible to utilize these regulations. The code provides a list of public benefits that qualify, including low-income housing, townhouse development, and public open space, but also gives significant discretion to the Director of Seattle Department of Construction and Inspections to determine if a project “provides a demonstrable public benefit” through a process that occurs prior to application.

CB 121196 would expand the list of public benefits to specifically include employment training and the processing of donated materials for reuse or recycling, thus obviating the need for individual determinations of public benefit for projects providing those proposed listed benefits. The legislation would add a subsection setting a timeline and the potential for phasing of a project—including a process for the Director to determine whether amendments are minor or not, with associated implications for decision-making and expiration dates. The result is intended to provide more clarity for large projects with extended timelines and potential amendments to approved PCDs.

The specific allowance for phasing raises implementation considerations related to granting approvals based on somewhat speculative considerations (“forecasted information about real estate markets”), although project proponents may benefit from such flexibility. See “Considerations” section below.

Legislation Components – Second Substitute House Bill 1183

Second Substitute House Bill (2SHB) 1183 was passed in the 2025 State Legislative session with the stated aim of incentivizing affordable and sustainable building practices through regulation reform; specifically, it prohibits cities from requiring façade modulations or upper-level setbacks as a condition of permitting certain types of residential projects. Seattle’s land use code includes upper-level setback requirements in several zones. The types of projects in the bill, and in the transmitted legislation, include affordable housing (defined differently than in SMC), construction meeting Passive House requirements, conversions to residential within existing structures, modular construction, and mass timber construction. The legislation would exempt all these types of residential projects from all upper-level setback or façade modulation requirements. While compliance with 2SHB 1183 law is not due until 2028, this legislation would bring the City into compliance earlier than the due date and is intended to lower costs to construct these types of projects.

Legislation Components – Conversion to Residential

Recent state laws (House Bill 1042 and Engrossed Substitute Senate Bill 6175) have encouraged conversions from commercial to residential, and the City has taken steps to comply. Zoning barriers to such conversions include development standards related to building form and site design, since commercial structures, particularly older ones, are built under different codes than the codes to which new residential would be subject. Conversions to residential are exempt from meeting many development standards and regulations, but thus far only for projects in commercial, Downtown, Seattle Mixed, Highrise, and Midrise zones.

The legislation proposes adding Lowrise and Neighborhood Residential zones to this list. The outcome would be that any existing commercial structures, which are relatively rare in these zones, could be converted to housing without having to meet most development standards such as floor area ratio, density, or amenity area requirements.

Legislation Components – Lake City

Since the recent closure of a major grocery store in the Lake City area, there has been renewed focus on steps cities can take to ensure residents have convenient access to fresh, healthy food. The proposed legislation would increase the height limit and allow higher FAR in NC-55 on lots over 100,000 square feet in size within Lake City, if the development contains 50,000 square feet or more of a list of desirable uses, which includes grocery store, pharmacy, medical services, childcare center, school, and community center. There are a few sites in the area that may be large enough for this kind of redevelopment; the former Fred Meyer site is one of them. Other sites may not be large enough but through aggregation could eventually redevelop and take advantage of these bonus standards as well.

Considerations

The Downtown rezone encompasses four buildings identified as landmarks. The effect of the rezone on these historic structures will be to increase the developability of the sites; this pressure makes redevelopment and/or demolition more likely if the outcome is more profitable. While the Director's Report mentions Transfer of Development Rights (TDR) as a potential avenue to translate that profitability into the further preservation of landmark structures, this has been used infrequently in recent years because rehabilitation of a landmark structure needs to happen before funding from TDRs can be realized and modifications to the Downtown incentive zoning program have prioritized low-income housing preservation and production. Moreover, the increase in profitability from a future development could just as easily (or even perhaps more easily) be attempted to be used as a justification to demonstrate a vast gap between the value of the historic structure and the possible value to be obtained through redevelopment; this sort of analysis may be considered as part of permit process and used to justify demolition of the landmark.

The discretion afforded the Director in the case of phased PCDs could benefit from additional requirements for clear documentation, similar to what [SMC 23.50A.300](#) contains related to Major Phased Developments. Phased projects can be difficult for reviewers to assess without

clarity about what project components are slated to occur in which phase, and how impacts of various phases are assessed and mitigated. For instance, Major Phased Developments are required to document the following:

1. A level of detail which is sufficient to reasonably assess anticipated impacts, including those associated with a maximum buildout, within the timeframe requested for Master Use Permit extension.
2. An anticipated timeline for construction of the phases with information documenting the rationale for the proposed phasing timeline.

Such documentation would benefit PCD projects to ensure clarity for permit reviewers and transparent decision-making for the public.

Finally, it is notable that the legislation covers many disparate components, all sharing a common goal. Generally speaking, zoning decisions are usually made either through continuous, stepwise implementation of long range planning projects, or site-specific contract rezones designed to facilitate a specific project with clear benefits recorded through property use and development agreements. This legislation's approach is a hybrid of the two approaches. As a result, CB 121196 lacks the detail that is normally provided through a contract rezone process and the broader context that is generally provided through a more comprehensive zoning proposal. To the extent that these changes facilitate residential construction, they appear to be in line with the City's general long range approach to densifying the City through a mainly market-based, supply-side approach to housing affordability. Whether any individual change would be better situated within a different legislative context is a question that does not render the outcomes of the bill any less meaningful.

cc: Lish Whitson, Director
Calvin Chow, Deputy Director



SEATTLE CITY COUNCIL

April 16, 2026

NOTICE OF A SEATTLE CITY COUNCIL PUBLIC HEARING ON COUNCIL BILL 121196

The Seattle City Council's Land Use and Sustainability Committee will hold a public hearing on Council Bill 121196, proposed "Housing Opportunities Zoning Amendments." This legislation is intended to increase opportunities for housing through the rezone of certain parcels in the University District, Fremont, Madison/Miller, Rainier Beach, and Downtown. The legislation would also amend development standards for planned community developments to support multi-purpose redevelopment on large sites with community-based uses, increase height limits in certain Downtown Mixed Commercial and Downtown Mixed Residential Zones in Belltown, change floor area ratio rules for certain Downtown Mixed Residential zones and change tower floor area and spacing limits and coverage and floor size limits in certain downtown zones, support conversion from commercial space to housing in more zones, and support the inclusion of housing and certain other uses in future development in Lake City. Additionally, the legislation would align the Seattle Municipal Code with Second Substitute House Bill 1183, by reducing requirements for passive house, modular, mass timber construction, and affordable housing projects.

PUBLIC HEARING

The City Council's Land Use and Sustainability Committee will hold a public hearing to take comments on CB 121196 on Wednesday, May 20, 2026, at 9:30 AM. The hearing will be held in:

City Council Chambers
2nd Floor, Seattle City Hall
600 Fourth Avenue, Seattle, WA

Persons who wish to participate in or attend the hearing may be offered the opportunity to do so remotely. If this is the case, the City Council will provide instructions in the meeting agenda on how to participate remotely. Please check the Land Use and Sustainability Committee agenda a few days prior to the meeting at <http://www.seattle.gov/council/committees>. Print and communications access is provided on prior request. Seattle City Council Chambers is accessible. Directions to the City Council Chambers, and information about transit access and parking are available at <http://www.seattle.gov/council/meet-the-council/visiting-city-hall>.

WRITTEN COMMENTS

Please submit written comments no later than four business hours prior to the start of the meeting to ensure that they are distributed to Councilmembers prior to the meeting. Comments may be submitted to Council@seattle.gov or to:

An equal opportunity employer
600 Fourth Avenue, Floor 2 | PO Box 34025, Seattle | Washington 98124-4025
Phone (206) 684-8888 Email council@seattle.gov

Seattle City Hall
Attn: Council Public Comment
600 4th Ave., Floor 2
Seattle, WA 98104

Business hours are considered 8 a.m. - 5 p.m. Comments received after that time will be distributed after the meeting to Councilmembers and included as part of the public record.

INFORMATION AVAILABLE

The proposed legislation is available at [Legistar](#). Search for Council Bill 121196.

Questions regarding the legislation may be directed to Geoff Wentlandt, Land Use Policy Manager, at 206-684-3586 or Geoffrey.Wentlandt@seattle.gov, or HB Harper, Council Central Staff at 425-566-0645 or hb.harper@seattle.gov.



Legislation Text

File #: CB 121214, **Version:** 1

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle

Ordinance

Council Bill

An ordinance relating to land use and zoning; introducing a new definition for data centers; adopting a moratorium on the filing, acceptance, processing, or approval of applications for the establishment or expansion of, or change of use to, data centers; amending Section 23.84A.008 of the Seattle Municipal Code; approving a work plan; declaring an emergency; and establishing an immediate effective date; all by a 3/4 vote of the City Council.

Be it ordained by The City of Seattle as follows:

Section 1. The City finds and declares:

A. The proliferation of data centers has the potential to significantly affect Seattle's energy and water infrastructure, utility affordability and reliability, jobs and economic development, public health, and the environment. Several companies have indicated interest in building large-scale data centers in Seattle.

B. Seattle's economy is in large part driven by a robust technology sector that may rely on data centers for server capacity both now and, increasingly, in the future, as the artificial intelligence sector grows. Data centers contribute to economic growth by enabling businesses to access much-needed processing and storage capacity.

C. Data centers are power-intensive and require significant water supplies for cooling equipment. Data centers may also be emissions-intensive if using fossil fuels.

D. Data centers can produce a significant amount of noise and heat that can negatively impact the health and wellbeing of surrounding communities.

E. In June 2026, Council expects to consider and take action on an ordinance codifying the 2027 and 2028 rates

for Seattle City Light customers that would establish a separate rate for new large load customers.

F. Several smaller scale data centers exist in Seattle today, all in Downtown Seattle.

G. The combined and cumulative impacts of large electrical loads, emissions, and water use associated with new or expanded data centers may:

1. Exceed available infrastructure capacity and resource supply;
2. Require substantial unplanned capital investments;
3. Affect environmental quality, including watershed and aquatic systems, and wastewater treatment;
4. Impair the City's ability to meet climate and resource management goals; and
5. Affect the health and wellbeing of residents from air pollution, noise, and heat emissions.

H. Plans and mitigation measures for identified impacts, and appropriate fee structures for electricity, water usage, and water treatment, should be clearly delineated in the City's fee schedules and development regulations before the filing of any permit for new or expanded large-scale data centers.

I. The City needs time to analyze and determine how best to update its regulations to address data centers.

J. The City needs time to identify what mitigation measures and community benefit policies, if any, would be most appropriate to address the impacts of locating new or expanded large-scale data centers in Seattle.

K. Given the environmental, economic, public health, land use, and utility impacts of large-scale data center siting and operations, the City Council determines that an exemption from conducting review under the Washington State Environmental Policy Act of the interim prohibition on the filing, acceptance, processing, or approval of applications for new or expanded large-scale data centers is necessary under Seattle Municipal Code Section (SMC) 25.05.880. The proposed moratorium must be implemented immediately or within a period too short for full compliance with SMC Chapter 25.05 to prevent an imminent threat to public health and safety.

L. For these reasons, the City proposes a moratorium that prohibits the filing, acceptance, processing, or approval of applications for new or expanded large-scale data centers, as principal or accessory uses, to allow the City time to consider and adopt appropriate permanent legislation.

Section 2. The Council adopts a moratorium on the filing, acceptance, processing, or approval of applications to establish or expand data centers, either as principal or accessory uses, or change of use to data centers, either as principal or accessory uses, in all zones in the city. The moratorium applies to data centers as defined in Section 3 of this ordinance, whether as a component of a project or as the entire project for which a permit is sought.

Section 3. Section 23.84A.008 of the Seattle Municipal Code, last amended by Ordinance 127401, is amended as follows:

23.84A.008 “D”

“Data center” means a facility: (1) used primarily for the housing, operation, or co-location of computer and networking equipment and the handling, storing, managing, processing, and backing up of digital data; (2) having capacity in excess of 20 Megavolt-Amperes (MVA); and (3) generally requiring uninterruptible power supplies and associated infrastructure such as cooling systems, backup power systems, and battery storage.

“Deck” means a platform extending more than 18 inches from a structure, or an unattached platform, including safety railings if required by the Building Code. A deck may be cantilevered or connected to the ground by posts and may have steps or ramps to the ground and a door to the structure. (See also “Porch.”)

* * *

Section 4. The moratorium set forth in this ordinance shall be in effect for a period of 365 days from the effective date of this ordinance and shall automatically expire after the 365-day period ends unless the moratorium is extended as provided by statute, or unless terminated sooner by the City Council.

Section 5. Pursuant to RCW 36.70A.390, the Council will hold a public hearing within 60 days of adoption of this ordinance to take public testimony and to consider adopting further findings.

Section 6. Under RCW 36.70A.390, the Council approves the work plan shown in Attachment A.

Section 7. The Council directs the Seattle Department of Construction and Inspections to amend the Intake Submittal Checklist for Land Use Permits such that information on electrical capacity in Megavolt-Amperes is required for a complete land use permit application.

Section 8. Based on the authority of RCW 36.70A.390 and the findings of Section 1 of this ordinance, the public hearing requirement of Section 23.76.062 of the Seattle Municipal Code is waived for the adoption of this ordinance.

Section 9. The City may renew this moratorium for one or more six-month periods in accordance with RCW 36.70A.390.

Section 10. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 11. Based on the findings of fact set forth in Section 1 of this ordinance, the Council finds and declares that this ordinance is a public emergency ordinance, which shall take effect immediately and is necessary for the protection of the public health, safety, and welfare.

Section 12. By reason of the findings set out in this ordinance, and the emergency that is declared to exist, this ordinance shall become effective immediately upon its passage by a 3/4 vote of the Council, and its approval by the Mayor, as provided in Article IV, subsection 1.1 of the Charter of the City.

Attachments:

Attachment A - Work Plan for Data Center Moratorium

Passed by a 3/4 vote of all the members of the City Council and signed in open session in authentication of its passage on .

President of the City Council
on .

Katie B. Wilson, Mayor

Attested on .

Scheereen Dedman, City Clerk

Seal

Attachment A – Work Plan for Data Center Moratorium

The Council directs Seattle City Light (“SCL”), Seattle Public Utilities (“SPU”), the Seattle Department of Construction and Inspections (“SDCI”), and any other relevant departments to analyze the data center impacts enumerated in this ordinance and transmit reports and necessary legislation to the Council according to the timelines in this work plan. As part of this work plan, departments should coordinate City efforts to analyze economic impacts of data centers as called for in Mayor Wilson’s statement of May 1, 2026.

1. Considering best practices for data center electricity and water usage (including the use of non-potable water for cooling), SCL and SPU should transmit to Council their analyses, proposed policies, relevant rate structures, and necessary legislation to ensure that Seattle residents, businesses, and others SCL and SPU serve will not pay increased utility costs because of data centers. SCL should transmit its analysis and proposal regarding electricity by July 1, 2026. SPU should transmit its analysis and proposal regarding water by October 30, 2026.
2. SDCI should determine appropriate zoning and development standards that avoid, minimize, or mitigate data center impacts, including on land use compatibility and utility infrastructure. SDCI’s analysis and proposal should:
 - a. consider spacing/dispersal requirements,
 - b. include design and environmentally friendly building standards to mitigate aesthetic and environmental impacts;
 - c. differentiate between large-scale data centers and small, medium, or co-located/mixed use data centers, including existing, permitted data centers in Seattle and the surrounding region; and
 - d. align with relevant state and federal laws.

SDCI should transmit its analysis and proposed legislation by January 2027, for anticipated Council action by March 2027.

3. An interdepartmental team should consider a framework for voluntary data center community benefit agreements by February 1, 2027. Executive departments should consult with members of labor unions, building trades, energy policy and environmental organizations, the Puget Sound Clean Air Agency, consumer protection advocates, neighborhood groups, tribes, and impacted industry stakeholders. The effort should incorporate considerations for, at a minimum:
 - a. noise, heat, air, and water pollution standards, including, but not limited to, pollution and heat monitoring, noise monitoring, maximum noise thresholds, noise mitigation requirements, and limiting fossil fuels for back-up generation;
 - b. strong workforce protections, including labor standards and onsite workforce requirements;

- c. environmental standards, including third-party verified emissions and water and energy use data disclosure requirements, to ensure full transparency to the public; and
- d. potential new community benefit opportunities, such as contributions to district energy, affordable housing, daycare, transportation infrastructure, tree canopy improvements, or creative redevelopment of under-utilized commercial spaces or brownfields.

Summary and Fiscal Note

1. Legislation Summary

Department: Legislative

Title: An ordinance relating to land use and zoning; introducing a new definition for data centers; adopting a moratorium on the filing, acceptance, processing, or approval of applications for the establishment or expansion of, or change of use to, data centers; amending Section 23.84A.008 of the Seattle Municipal Code; approving a work plan; declaring an emergency; and establishing an immediate effective date; all by a 3/4 vote of the City Council.

Background: Large scale data centers developed in other parts of the country demonstrate the potential for adverse utility and land use impacts for local jurisdictions. While smaller scale data centers exist in Seattle today, Seattle has no land use regulations specific to data centers. Developers of large scale data centers have expressed interest in locating in Seattle, creating an emergency where permit applicants for data centers could vest to Seattle's current codes that do not account for potential impacts of such development. The City Council proposes a new definition of data centers in Seattle Municipal Code as a facility (1) used primarily for the housing, operation, or co-location of computer and networking equipment and the handling, storing, managing, processing, and backing up of digital data; (2) having capacity in excess of 20 Megavolt-Amperes (MVA); and (3) generally requiring uninterruptible power supplies and associated infrastructure such as cooling systems, backup power

systems, and battery storage. This legislation would enact a one-year moratorium on the acceptance, processing, or approval of permit applications for data centers until regulations including land use and zoning, mitigation measures for probable impacts, and appropriate fee structures for electricity usage, are developed.

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

Yes

No

a. CIP Project Name:

b. Master Project ID:

c. Project Location:

d. Start Date:

e. End Date:

f. Total Project Cost Through 2030:

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

Yes

No

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

This moratorium does not obligate funds, but the work described in Attachment A will require funding to complete. Additional funding will be required to be identified during the next budget cycle.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

Resources may need to be shifted away from other work to handle this cost given the unexpected nature of an emerging issue area as well as the potential interdepartmental nature of the work.

c. What financial costs or other impacts might happen if this legislation is not implemented?

Not implementing the legislation could result in development within city limits of large scale data centers. Such a facility could increase demands for utilities including, but not limited to, electricity and water. This could increase costs for utility customers.

d. How might this legislation affect other City departments besides the one that proposed it?

This legislation directly affects the Seattle Department of Construction and Inspections, the Seattle Department of Transportation, Seattle Public Utilities, and other departments that play a role in approving and inspecting new development for compliance with City codes. The legislation indirectly affects Seattle City Light in that it may inform the upcoming rates ordinance related to large load customers.

4. Other Impacts

a. Does this legislation require a public hearing?

Yes

No

The hearing will occur within 60 days of passage, pursuant to RCW 36.70A.390.

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

Yes

No

c. Does this legislation affect a piece of property?

No.

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion?

Please consider both impacts within City government (like employees and internal programs) and in the broader community.

N/A

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

N/A

3. What is the Language Access Plan for communicating with the public about this legislation?

N/A

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

This legislation will not directly affect carbon emissions, but the work that occurs as part of the workplan in Attachment A will have impacts on future emissions from data center development. If this legislation is not implemented, large-scale data center development may significantly increase carbon emissions.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

This legislation will not directly affect Seattle's resiliency, but the work that occurs as part of the workplan in Attachment A will have impacts on Seattle's resiliency from the perspective of data access and utility usage and infrastructure.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

N/A

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No



May 12, 2026

Director’s Report and Recommendation for Data Center Moratorium Legislation

Introduction and Summary of Proposed Legislation

The City Council is considering legislation to adopt a temporary one-year moratorium on the filing, acceptance, processing, or approval of permit applications for new or expanded data centers. The proposal defines “data center” as follows:

“Data center” means a facility:

- (1) used primarily for the housing, operation, or co-location of computer and networking equipment and handling, storing, managing, processing, and backing up of digital data;*
- (2) having capacity in excess of 20 Megavolt-Amperes (MVA); and*
- (3) generally requiring uninterruptible power supplies and associated infrastructure such as cooling systems, backup power systems, and battery storage.”*

The legislation includes findings of fact in support of a declaration of a public health, safety, and welfare emergency. It is proposed to go into effect immediately upon a vote of approval.

The temporary moratorium would lapse one year after passage unless it is renewed. The ordinance contains a work program and schedule for the City to develop and consider ongoing, permanent regulations for data centers.

Analysis

Several companies have indicated interest in building large-scale data centers in Seattle¹. Seattle’s economy is in large part driven by a robust technology sector that may rely on data centers for server capacity both now and, increasingly, in the future, as the artificial intelligence sector grows. Data centers contribute to economic growth by enabling businesses to access much-needed processing and storage capacity; several smaller-scale data centers

¹ [Five Large Data Centers Eyed for Seattle](#)

exist in Seattle today. However, a further proliferation of data centers would have the potential to significantly affect Seattle’s energy and water infrastructure, utility affordability and reliability, jobs and economic development, public health, and the environment. Data centers are power-intensive and require significant water supplies for cooling equipment.² Data centers may also be emissions-intensive if using fossil fuels. Additionally, data centers can produce a significant amount of noise and heat that can negatively impact the health and wellbeing of surrounding communities.

Data centers are a novel, as-yet-undefined land use type in the City’s codes. For example, the Land Use Code does not define this use nor are there currently any development regulations. The City needs time to analyze and determine how best to update its regulations to specifically address data centers.

Comprehensive Plan Goals and Policies

The following describes the proposed legislation’s relationship to relevant City goals and policies that are expressed in the One Seattle Comprehensive Plan.

General guidance about defining and regulating types of land uses in the Comprehensive Plan includes:

LU 3.1 *Allow or prohibit uses in each zone based on the zone’s intended function and on the expected impacts of a use on other properties in the zone and the surrounding area. Generally, allow a broad mix of compatible uses in centers.*

Data center developers may be interested in locating large scale facilities in industrial zones. Comprehensive Plan guidance related to industrial lands policy provides:

LU 13.2 *Preserve industrial land for industrial uses, especially where industrial land is near rail- or water-transportation facilities to allow marine- and rail-related industries that rely on that transportation infrastructure to continue to function in the city.*

LU 13.3 *Ensure predictability and permanence for industrial activities in industrial areas by limiting changes in industrial land use designation. There should be no reclassification of industrial land to a non-industrial land use category except as part of a City-initiated comprehensive study and review of industrial land use policies or as part of a major update to the Comprehensive Plan.*

² [Data Center Power Demands Are Contributing to Higher Energy Bills](#)

Data centers use significant energy and water utility resources, and may have impacts on City utilities, including the potential to drive up costs for other customers. Comprehensive Plan guidance related to utility impacts provides:

- U 1.1** *Establish and maintain performance metrics that can be used to monitor and evaluate capacity of City-owned utilities to meet the need for utility services as the city grows.*
- U 1.3** *Ensure that new private development provides adequate connections to the existing utility infrastructure and is water and energy efficient. Consider programs to equitably balance the costs of infrastructure improvements needed to accommodate growth.*
- U G2** *Safe and reliable utility services are accessible and affordable to community members regardless of economic, racial, or housing status, or ability to pay.*
- U G4** *Water is treated as an essential resource and managed in a sustainable and integrated way to support healthy natural environment and communities.*
- U G6** *Future energy needs are met with safe, affordable, reliable, and environmentally responsible power.*
- U 6.5** *Deploy new technology and infrastructure to better manage increased electrical loads from building and transportation decarbonization.*
- U 6.6** *Improve demand-side management and energy efficiency options to serve customers while meeting our sustainability goals.*

Data centers may provide economic benefits through supporting a thriving technology business sector. However, they may also take up land that could be utilized for more employment-intensive uses. The Comprehensive Plan guidance related to economic development provides:

- ED 2.3** *Promote, support, and improve linkages between industry clusters and research institutions, hospitals, educational institutions, and other technology-based businesses.*
- ED 2.7** *Promote and lead coordination of economic development and community development among City departments, as well as with all levels of government, the business community, and nonprofits, to strengthen industry clusters.*
- ED 3.2** *Support a stable and more competitive business climate through policies and planning that are implemented with transparent, predictable, and efficient regulations and approval processes.*

ED 3.9 *Implement zoning and other tools to encourage business growth and development that uses and promotes sustainable technologies.*

ED 3.11 *Assist businesses in identifying locations that suit their needs by tracking appropriate and available sites for business attraction or expansion.*

Data centers may contribute to emissions and other types of pollution, without adequate controls. Comprehensive Plan guidance on climate and environment provides:

CE 1.4 *Partner with regional agencies, local jurisdictions, frontline communities, the state, academic institutions, community leaders, industry, Tribes, and public, private, and not-for-profit groups to promote programs and policies that achieve GHG emission reduction targets and increase the awareness and transparency of GHG emissions inventories.*

CE 5.8 *Encourage the use of clean energy sources, such as renewables or waste heat, in both existing and new buildings.*

Siting of new data centers would require an analysis of appropriate development regulations and utility, environmental, and workforce development considerations to ensure that data centers could be sited and operated consistent with the public health, safety, and welfare.

Public Comment, Engagement and Notice

The Council will hear public comment on the ordinance on May 20, 2026, at the Land Use and Sustainability Committee, and on June 2, 2026, when the full Council will vote. Additionally, the Council will hold a public hearing on the ordinance after passage.

Recommendation

The SDCI Director recommends that the City Council pass a moratorium until such time as regulations can be adopted that address the potential public health, safety, and welfare impacts of data centers.



Legislation Text

File #: CB 121215, **Version:** 1

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle

Ordinance

Council Bill

An ordinance relating to Council land use decisions; amending Sections 23.76.050, 23.76.062, and 25.05.680 of the Seattle Municipal Code to clarify processes for Council land use decisions.

Recitals:

In the past several years, Washington State has updated the State Environmental Policy Act (SEPA) to exempt from administrative appeals various types of local legislative actions.

Revised Code of Washington (RCW) 43.21C.075 allows local jurisdictions to decide whether to provide pre-decision administrative appeals of environmental determinations under SEPA.

The City of Seattle (City) has opted to use an administrative process to consider appeals of SEPA decisions, through the City's Hearing Examiner.

Many jurisdictions that have administrative appeals processes for SEPA decisions, including King County, Bellevue, Tacoma, and Everett, exempt SEPA procedural decisions for legislative actions from administrative appeals.

Washington State has adopted numerous statutes requiring timely updates to the City's land use regulations. The City has been in danger of missing deadlines to update its regulations due to additional time needed for administrative appeals of environmental documents.

The Seattle Hearing Examiner has dismissed administrative appeals of environmental documents on

statutory grounds that administrative appeals are not allowed for certain types of regulatory changes, but the consideration of whether an appeal is permitted can take months or more to process.

SEPA does not require jurisdictions to allow administrative appeals of SEPA Determinations of Non-Significance or Environmental Impact Statements.

The Land Use Code requires the development of director's reports for Type IV and V Council land use decisions but does not contemplate Council-sponsored land use decisions.

This bill makes director's reports optional for Council-sponsored land use legislation.

This bill also removes from the Land Use Code the pre-decision SEPA appeals for legislation adopting or amending the Comprehensive Plan or development regulations. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Section 23.76.050 of the Seattle Municipal Code, last amended by Ordinance 124919, is amended as follows:

23.76.050 Reports for Type IV and V Council land use decisions

A. Reports on Council land use decisions

1. Except for Type V Council land use decisions that are proposed by the Director of the Office of Planning and Community Development or the Council, the Director shall prepare a written report on Type IV and V decisions and any associated Type II decisions listed in subsections 23.76.006.C.2.c, 23.76.006.C.2.d, 23.76.006.C.2.f, and 23.76.006.C.2.g and SEPA decisions integrated with such Type II decisions as set forth in subsection 23.76.006.C.2.i.

2. For Type V Council land use decisions proposed by the Director of the Office of Planning and Community Development, the Director of the Office of Planning and Community Development shall prepare the report required under this Section 23.76.050. ~~((For purposes of this Section 23.76.050 the word "Director" refers to the Director of the Seattle Department of Construction and Inspections or the Director of the Office of Planning and Community Development that is responsible for preparation of the report required by this section.))~~

3. For Type V Council land use decisions proposed by the Council, any Councilmember may request that

the Director, or the Director of the Office of Planning and Community Development prepare a report under this Section 23.76.050.

B. The Director's report for Type IV and V Council land use decisions other than those listed in subsection 23.76.050.C shall include:

1. The written recommendations or comments of any affected City departments and other governmental agencies having an interest in the application or request;
2. Responses to written comments from the public;
3. An evaluation of the proposal based on the standards and criteria for the approval sought and consistency with applicable City policies;
4. All environmental documentation, including any checklist, EIS₁ or DNS; and
5. The Director's recommendation to approve, approve with conditions, or deny a proposal.

C. For adoption of the Comprehensive Plan, Comprehensive Plan amendments, Land Use Code amendments, area-wide amendments to the Official Land Use Map, and ((Planned Action Ordinances)) planned action ordinances, the Director's report shall include:

1. An evaluation of the proposal based on the standards and criteria for the approval sought and consistency with applicable City policies;
2. ((a)) A summary of the public notice and outreach efforts undertaken to evaluate the proposal;
3. All environmental documentation, including any checklist, EIS, or threshold determination; and
- (((3-)) 4. The Director's recommendation to approve or reject a proposal.

D. ~~((A DNS or the Director's determination that an EIS is adequate shall be subject to appeal pursuant to the procedures in subsection C of Section 23.76.022.~~

E.)) For Type IV ~~((Decisions))~~ decisions, the Director's report shall be submitted to the Hearing Examiner and filed with the City Clerk on the same date the notice of availability of the Director's report is given pursuant to Section 23.76.052. The Director's report shall be made available for public inspection at least 21 days prior to the Hearing Examiner's open record predecision public hearing described in Section 23.76.052.

F.)) G. For Type V Council land use decisions not proposed by the Council, the Director's report shall be submitted to the Council ~~((and shall be made available to the public))~~ at least 15 days before the Council hearing described in Section 23.76.062. When a Councilmember requests a Director's report under subsection 23.76.050.A.3, the

Director should attempt to provide the report to the Council at least 15 days before the Council hearing described in Section 23.76.062. All Director's reports shall be made available to the public upon submission to the Council. The Council may act on a Type V land use decision even if the Council-requested Director's report is untimely or not provided to Council and the public.

Section 2. Section 23.76.062 of the Seattle Municipal Code, last amended by Ordinance 123913, is amended as follows:

23.76.062 Type V Council land use decisions

* * *

D. Council ~~((Decision))~~ decision. In making a Type V Council land use decision, the Council shall consider the oral and written testimony presented at the public hearing, as well as any required report of the Director. ~~((The City Council shall not act on any Type V Council land use decision until the end of the appeal period for any applicable determination of nonsignificance (DNS) or final EIS or, if an appeal is filed, until the Hearing Examiner issues a decision affirming the Director's DNS or EIS decision.))~~

Section 3. Section 25.05.680 of the Seattle Municipal Code, last amended by Ordinance 126685, is amended as follows:

25.05.680 Appeals

* * *

F. ~~((RCW 36.70A.070, 36.70A.600 and 43.21C.495 exempt certain Council land use actions from administrative or judicial appeals, except as provided in subsection 25.05.680.G. Environmental documents and Council land use actions intended to be exempt from SEPA appeals pursuant to RCW 43.21C.495 should so state.))~~ There is no administrative appeal to the Hearing Examiner of a SEPA threshold determination or the adequacy of an EIS associated with any proposed Comprehensive Plan or development regulation, whether new or amended.

This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its passage on .

President of the City Council
on .

Katie B. Wilson, Mayor

Attested on .

Scheereen Dedman, City Clerk

Seal

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle City Council

Title: An ordinance relating to Council land use decisions; amending Sections 23.76.050, 23.76.062, and 25.05.680 of the Seattle Municipal Code to clarify processes for Council land use decisions.

Background: This bill amends the Land Use Code, Title 23 of the Seattle Municipal Code (SMC), and the City's State Environmental Policy Act Regulations (SMC Chapter 25.05) to streamline requirements for Type V legislation actions. Type V actions are land use approvals, such as land use code text amendments and area-wide rezones. The bill would 1) exempt Council-generated Type V land use decisions from the requirement that there be a Director's Report on the Council-generated legislation but would provide an option for Councilmembers to request a report; 2) remove redundant cross-references; and 3) exempt environmental threshold determinations and EISs associated with Comprehensive Plan amendments or development regulations from appeals to the Seattle Hearing Examiner.

Summary Attachments: None

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

Yes

No

a. CIP Project Name:

b. Master Project ID:

c. Project Location:

d. Start Date:

e. End Date:

f. Total Project Cost Through 2030:

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

Yes

No

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

SEPA appeals of legislative proposals are rare but can take significant time by staff in the Office of the City Attorney (OCA), the Seattle Department of Construction and Inspections (SDCI), the Office of Hearing Examiner (OHE), and the Office of Planning and Community Development (OPCD). Because these appeals are rare, and each requires a unique amount of time and effort, it is difficult to quantify the savings that would be achieved through this amendment. Additionally, savings would be seen across the departments listed above in terms of staff's ability to focus on other projects, rather than spending time defending their decisions.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle

these costs? Or does the department need to shift resources away from other work to handle these costs?

Not applicable

c. What financial costs or other impacts might happen if this legislation is not implemented?

The legislation would likely reduce the staff hours required for review and defense of legislation.

d. How might this legislation affect other City departments besides the one that proposed it?

As noted above, the proposed legislation would reduce the workload of staff in the OCA, SDCI, OHE, and OPCD. Staff would have more time to support other projects.

4. Other Impacts

a. Does this legislation require a public hearing?

Yes

No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

Yes

No

c. Does this legislation affect a piece of property?

No

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

It has been alleged that appeals have been filed in order to slow Council consideration of legislation that was intended to support the development of affordable housing and housing affordable to a range of income levels. The bill

would align Seattle's regulations with State law that states that there are no appeals of regulations intended to support affordable housing.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

None

3. What is the Language Access Plan for communicating with the public about this legislation?

SDCI provides translations of changes to the code on its website.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

No

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

Not applicable

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

Not applicable

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No