



SEATTLE CITY COUNCIL

Land Use Committee

Agenda

Wednesday, September 13, 2023

2:00 PM

Public Hearing & Notice on CB 120635 (Transportation Impact Fees)

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

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

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

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September 13, 2023 - 2:00 PM

Public Hearing & Notice on CB 120635 (Transportation Impact Fees)

Meeting Location:

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

Committee Website:

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

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

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

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

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

Pursuant to Council Rule VI.10., this Committee Meeting will broadcast members of the public in Council Chambers during the Public Comment period.

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

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

D. Items of Business

1. [CB 120631](#) **AN ORDINANCE** relating to land use and zoning; amending subsection 23.49.011.B of the Seattle Municipal Code to increase flexibility for lodging uses in the DMR/R 95/65 zone.

*Supporting
Documents:*

[Summary and Fiscal Note](#)

[Director's Report](#)

[Presentation \(9/13/23\)](#)

[Central Staff Memo \(9/13/23\)](#)

Briefing, Discussion, and Public Hearing (24 minutes)

Presenter: Geoffrey Wentlandt, Office of Planning and Community Development (OPCD)

2. [CB 120632](#) **AN ORDINANCE** relating to land use and zoning; amending the Official Land Use Map (Chapter 23.32 of the Seattle Municipal Code) to rezone certain land in the Downtown Retail Core; and amending Sections 23.49.008 and 23.49.058 of the Seattle Municipal Code to increase housing capacity and downtown activation.

Attachments: [Full Text: CB 120632 v1](#)
[Att 1 – Rezone Map](#)

Supporting Documents: [Summary and Fiscal Note](#)
[Director's Report](#)
[Presentation \(9/13/23\)](#)
[Central Staff Memo \(9/13/23\)](#)

Briefing, Discussion, and Public Hearing (24 minutes)

Presenter: Geoffrey Wentlandt, Office of Planning and Community Development (OPCD)

3. [CB 120622](#) **AN ORDINANCE** relating to vacant building monitoring and nuisance abatement; amending Sections 22.204.030 and 22.206.200 of the Seattle Municipal Code.

Supporting Documents: [Summary and Fiscal Note](#)
[Director's Report](#)
[Presentation \(9/13/23\)](#)

Briefing, Discussion, and Public Hearing (24 minutes)

Presenter: Quinn Majeski and Michele Hunter, Seattle Department of Construction and Inspections (SDCI)

4. [Res 32097](#) **A RESOLUTION endorsing strategies to improve the movement of people and goods in Seattle’s industrial and maritime areas.**

Supporting

Documents:

[Summary and Fiscal Note](#)

[Central Staff Presentation \(7/6/23\)](#)

[Amendment 1](#)

Briefing, Discussion, and Possible Vote (24 minutes)

Presenter: Lish Whitson, Council Central Staff

5. [CB 120635](#) **AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes related to a transportation impact fee program proposed as part of the 2022-2023 Comprehensive Plan annual amendment process.**

Attachments:

[Att 1 - Transportation Element](#)

[Att 2 - Transportation Appendix](#)

Supporting

Documents:

[Summary and Fiscal Note](#)

[Presentation \(9/13/23\)](#)

Briefing and Discussion* (24 minutes)

Presenter: Ketil Freeman, Council Central Staff

E. Adjournment

***Public Hearing Cancellation Notice on Transportation Impact Fees (CB 120635)**

This is notice that the Public Hearing on Council Bill 120635 - Transportation Impact Fees scheduled for September 13, 2023, is cancelled.

A 30-day public notice will be published when the Public Hearing has been rescheduled.



Legislation Text

File #: CB 120631, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to land use and zoning; amending subsection 23.49.011.B of the Seattle Municipal Code to increase flexibility for lodging uses in the DMR/R 95/65 zone.

WHEREAS, greater Downtown Seattle has experienced significantly increased vacancy rates for commercial office and retail uses since the COVID-19 pandemic; and

WHEREAS, The City of Seattle holds it as a high priority to support economic recovery for Downtown neighborhoods; and

WHEREAS, City departments are engaging in planning processes for long-term solutions to increase Downtown activity and vitality, which may include programmatic strategies and capital investments; and

WHEREAS, in addition to long-term strategies, a variety of immediate actions are sought to increase Downtown activation and vitality in the short term; and

WHEREAS, one segment of the Downtown economy that has remained relatively strong at present is lodging; and

WHEREAS, hotel visitors customarily patronize local businesses including restaurants, cultural and entertainment establishments, and other services; and

WHEREAS, hotel uses commonly include vibrant and active storefronts with uses such as gathering places, artistic displays, and restaurants or bars; and

WHEREAS, members of Belltown community organizations approached the Office of Planning and

Community Development with a concept to increase zoning flexibility for lodging uses as a means to spur investment and increase street activation; and

WHEREAS, addition of one or more new hotels within a focused geographic area of the Belltown neighborhood would be generally consistent with the City’s Comprehensive Plan and the existing mix of land uses in the broader vicinity; and

WHEREAS, the proposed legislation includes protections against conversions of existing buildings to lodging uses; and

WHEREAS, Mayor Bruce Harrell has convened stakeholders for input and is formulating a suite of actions to support Downtown as part of a Downtown Activation Plan, including this proposed Land Use Code text amendment; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsection 23.49.011.B of the Seattle Municipal Code, which section was last amended by Ordinance 126157, 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 FAR Exemption Area identified on Map 1J of Chapter 23.49 up to a maximum FAR of 2 for all such uses combined, provided that for uses in the FAR Exemption Area 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;

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

4) 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. 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 of Chapter 23.49, 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.k~~)) 23.49.011.A.2.j or a small structure eligible pursuant to subsection ((~~23.49.011.A.2.l~~)) 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 of Chapter 23.49, 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.k))~~ 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.i))~~ 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 zone, lodging uses. This exemption from FAR limits does not apply to lodging uses created by converting residential uses to lodging uses in existing structures.

2. Mechanical equipment

a. As an allowance for mechanical equipment fully contained within a structure, three and one-half percent shall be deducted in computing chargeable gross floor area. Calculation of the allowance excludes gross floor area exempt pursuant to subsection 23.49.011.B.1.

b. Mechanical equipment located on the roof of a structure shall not be calculated as part of the total gross floor area of the structure.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Office of Planning & Community Development (OPCD)	Geoff Wentlandt	Christie Parker

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to land use and zoning; amending subsection 23.49.011.B of the Seattle Municipal Code to increase flexibility for lodging uses in the DMR/R 95/65 zone.

Summary and Background of the Legislation:

This legislation increases the flexibility for lodging uses in one zone within the Belltown neighborhood. This action exempts lodging use from chargeable floor area in the DMR/R 95/65 zone, treating lodging uses the same way that residential uses are regulated in the zone. (Residential uses are already exempt from chargeable floor area limits.) All other standards controlling height, bulk and scale of development in the zone remain unchanged. This item is a text amendment only and no changes to zoning maps are required. The legislation is an element of Mayor Harrell's Downtown Activation Plan.

2. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes **X** No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The legislation has minor short-term impacts on SDCI, because SDCI permit review staff would need to be made aware of the land use code text change in a training or e-mail communication. One-time costs for IT will also be necessary. However, these costs can be absorbed within the existing budget.

Are there financial costs or other impacts of *not* implementing the legislation?

No.

3. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

This legislation affects Seattle Department of Construction & Inspections (SDCI) in a small way as SDCI staff will need to be made aware of the code amendment for the purposes of permit review. This is not expected to result in a meaningful fiscal impact for SDCI. One-time IT costs of \$20,000 for both the Belltown lodging legislation and the Downtown retail core legislation combined can be absorbed within SDCI's existing budget.

b. Is a public hearing required for this legislation?

Yes

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes. OPCD published a SEPA determination of non-significance (DNS) on June 22nd in the DJC and the City's Land Use Information Bulletin. No SEPA appeals were received.

d. Does this legislation affect a piece of property?

This legislation applies to all properties in the DMR/R 95/65 zone.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

This legislation does not impact vulnerable or historically disadvantaged communities.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No. This is a project action. Emissions will be considered as part of the environmental review of any future developments in the zone

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

This proposal will not decrease resiliency in a material way.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?

No.



Belltown Lodging Use Flexibility

**Seattle Office of Planning and Community Development (OPCD)
Director's Report and Recommendation
February 2023**

Proposed Zoning Text Amendment

This proposed legislation would increase the flexibility for lodging uses in one zone within the Belltown neighborhood. Lodging use would be exempted from chargeable floor area in the DMR/R 95/65 zone, treating lodging uses the same way that residential uses are regulated in the zone. Residential uses are exempt from chargeable floor area limits. All other standards controlling height, bulk and scale of development in the zone would remain unchanged. The amendment is a text amendment only and no changes to zoning maps are required.

Geography and Current Zoning

All property in the DMR/R 95/65 zone is located on approximately 8 blocks in the Belltown portion of the Downtown Urban Center. This zoning area is defined by Wall Street to the north, Lenora Street to the south and the alleys between 3rd Avenue and 2nd Avenue to east and 1st Avenue and Western Avenue to the west. The zoning to the north and east supports higher intensity mixed residential use. The zoning to south and west supports mixed commercial uses.

Under the current DMR/R 95/65 zone, lodging uses are subject to a commercial floor area ratio (FAR) limitation of 1.5. In practice, this means that about one half of a development building to the full zoning capacity could be lodging, and the remaining half would likely be a residential use.

Figure 1: Area subject to proposed legislation



Policy Intent

Like much of the Downtown Urban Center, Belltown comprises a mix of commercial office, residential and ground related retail. Expanding hospitality use within the DMR/R zone is consistent with the general intent of the Seattle Comprehensive Plan which describes the zone as a predominately residential area with neighborhood serving nonresidential uses.

Comprehensive Plan Goals:

ECONOMIC DEVELOPMENT GOAL

DT-G2 Encourage economic development activities consistent with the Comprehensive Plan to attract and retain businesses and to expand employment and training opportunities for Seattle area residents.

CULTURE & ENTERTAINMENT GOAL

ST-G3 Strive to reinforce Downtown as a center of cultural and entertainment activities to foster the arts in the city, attract people to the area, create livable neighborhoods, and make Downtown an enjoyable place to be shared by all. Encourage facilities for artists to live and work in Downtown.

Additionally, OPCD considers the following factors related to advancing the proposal:

Downtown Economic Recovery. Following the COVID pandemic greater downtown Seattle vacancy rates for commercial uses including office space and retail space have increased significantly. Recent reports estimate that downtown vacancy rates for office uses are approaching 20 percent. Decreases in daily office employee presence in downtown has cascading effects on the vitality of ground level retail businesses. Vacancies in retail space typically occupied by local serving restaurants and service establishments have also increased notably. One segment of the greater downtown economy that has remained relatively strong at present is lodging. For example, hotel occupancy rates are near pre-pandemic levels. Hotel visitors customarily patronize local businesses and restaurants and bring increased pedestrian activity to a neighborhood. The zoning change is intended to leverage continued strong demand for hotel use to bring more support to local business and service establishments through the increased presence of hotel patrons.

Additionally, the ground level of a new hotel use would be an activating presence. Development standards in the area require engaging and transparent street level uses. Hotel storefront in recent developments commonly include a vibrant lobby area, gathering spaces, and sometimes hotel bars or restaurants, or other artistic displays.

If the code change spurs new development of one or more hotels in the area the construction activity would also be an element of economic recovery. Infill development would occur on vacant sites or parking lots that have little or no activating activity at present.

Community Support. This proposal was brought to OPCD's attention by representatives of community-based organizations in Belltown. OPCD met with and consulted leadership from the Belltown Community Council, Belltown United, and Belltown Business Association. It is our understanding that there is considerable support by residents and business operators to enact the proposed change. Community groups welcome the construction of one or more new hotels on vacant sites in the neighborhood.

Limited Scope / Adverse Impact. OPCD assesses the potential negative impacts from the proposal to be very small and the overall scope of the change to be very limited. The proposal would not dilute the presence of residences in the neighborhood, because the exemption is only available for new development. The change would not induce conversion of existing residences to hotels. Development would occur on currently vacant or underutilized parcels. OPCD estimates that up to 4 sites in the zoned area could be potential candidates for a new structure with a hotel.

In fact, the proposal could reduce pressure for existing condominium residences to be rented on the short-term rental market. An AirBnB search at the time of this report returned approximately 30 AirBnB listings for a weekend stay during April 2023 in condominium homes within the DMR/R 95/65 zoned area and adjacent blocks. Increased supply of hotel rooms in the area could reduce the incentive for condominium owners to convert existing homes to short-term rentals.

The fact that the area is geographically limited to 8 blocks is also an important factor limiting the degree of potential impact. Although the change could make a meaningful positive impact in the localized area in regards to street activation and business supports, it is not a large enough geography to alter the overall housing market in the greater downtown area, where it remains a priority to provide increased supply of housing.

Recommendation

OPCD recommends adoption of this amendment. Expanding hotel uses in this zone will contribute to enhanced neighborhood vitality and increased economic development and recovery.

Legislative Items To Support Downtown Activation Plan Summer 2023



Letter from Mayor Harrell

Downtown is the heart of Seattle and is powered by people - workers, neighbors, families, and visitors alike. Our Downtown Activation Plan is designed to bring Downtown into a new age. Downtown must be safe, welcoming, and a neighborhood for all.

This is an exciting time, where we all get to dream, partner, and create the future of our city's core together. Earlier this year, in my State of City address, I called for us to embrace bold, creative thinking to design the Downtown of tomorrow. This is not about restoring the Downtown of the past, but rather reimagining what is possible as our city evolves.

Our goal is a robust Downtown neighborhood with more housing and amenities - ensuring Downtown is more than just a great place to go for work, but also a place where residents can afford to live, learn, shop, play, and so much more. Like downtowns across the United States, ours faces complex challenges including the remote work revolution, an ever-evolving retail landscape, affordable housing pressures, crises of homelessness and addiction, safety, and environmental priorities. The problems are real, but they are not insurmountable, and together, we can work to make positive change for our city.

Collaborating across levels of government and with private, nonprofit, and philanthropic partners, we are building a new Downtown that embodies our One Seattle values and vision. Our possibilities are endless, and together we will make them happen.

Bruce Harrell

Downtown is you

Potential or Proposed Near Term Legislation

- Downtown Retail Core zoning amendment (OPCD lead)
- Belltown lodging use flexibility (OPCD lead)
- Downtown digital kiosks (SDOT lead)
- Temporarily waive permit fees for vending and events (SDOT lead)
- Master Use Permit expiration modifications (SDCI lead)
- Facilitate Office-to-Residential Conversions (OPCD and SDCI lead)
- Increased flexibility for ground level use regulations (SDCI lead)
- Design Review exemption for MHA performance (Council led - completed)



Belltown Lodging Use Flexibility

- Text amendment only to the DMR/R 95/65 zone.
- Lodging use would be exempted from chargeable floor area in the DMR/R 95/65 zone, treating lodging uses the same way that residential uses are regulated in the zone. (Lodging currently has an FAR limit of 1.5)
- All other standards controlling height, bulk and scale of development in the zone would remain unchanged. The amendment is a text amendment only and no changes to zoning maps are required.
- Flexibility is only for new development (not conversion of existing residential use).



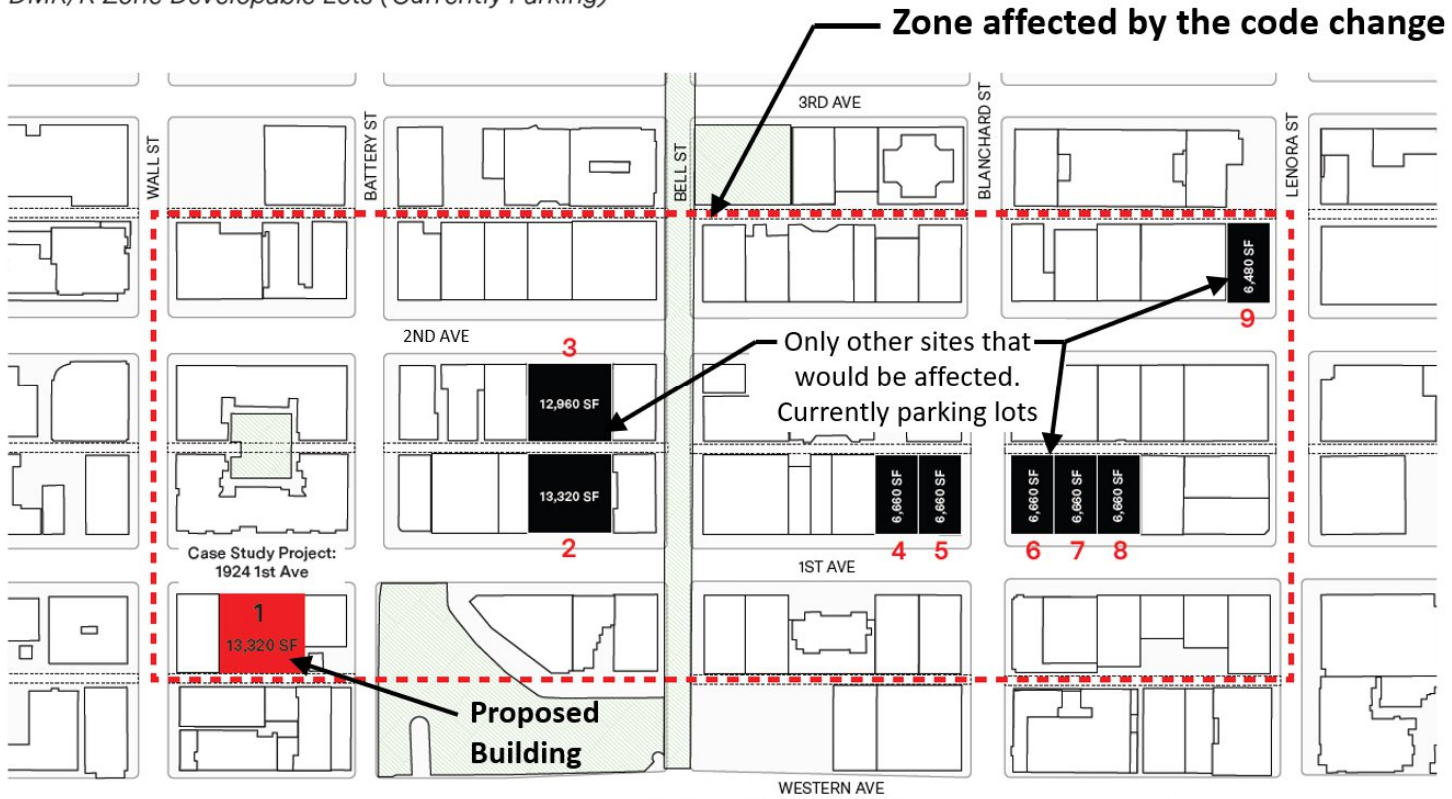
Belltown Lodging Use Flexibility- Purpose

Tourism and lodging is strong in downtown Seattle during the post-pandemic period, while other uses including retail and commercial office are lagging. Summer 2023 hotel occupancy rates in downtown exceeded 90% and were among the highest of any US city. Seattle's hotel occupancy is projected to fully recover and exceed pre-pandemic levels in 2024.

- Encourage investment. One or more new infill development projects could be supported in the area of the legislation.
- Support street activation. Visitors have a high propensity for walking near their place of stay and supporting other local businesses.
- Community support. Members of Belltown community organizations specifically requested the proposed code change to encourage infill development on key sites.

Belletown Lodging Use Flexibility

DMR/R Zone Developable Lots (Currently Parking)



Belldowntown Lodging Use Flexibility



September 8, 2023

MEMORANDUM

To: Land Use Committee
From: Lish Whitson, Analyst
Subject: CB 120631: Belltown Lodging Land Use Code Amendment

On Wednesday, September 13, the Land Use Committee (Committee) will hold a public hearing and receive a briefing on [Council Bill \(CB\) 120631](#), which would amend the Land Use Code (Seattle Municipal Code Title 23) to support the development of lodging¹ in the Belltown Downtown Mixed Residential/Residential zone. The amendment would remove floor area ratio (FAR) limits on lodging in the DMR/R 95/65 zone. According to the Office of Planning and Community Development (OPCD) [Director's Report](#), the change is intended to enhance neighborhood vitality and increase economic development and recover.

This legislation is one strategy of Mayor Harrell's Downtown Activation Plan, which includes a variety of initiatives to improve Downtown Seattle, including the following legislative actions:

- Making zoning changes to facilitate office-to-residential conversion;
- Supporting food businesses by waiving fees for food trucks and carts;
- Extending the term of Master Use Permits (MUP);
- Expanding the uses permitted at street-level downtown;
- Rezoning property in the Retail Core to support additional housing development;
- Providing flexibility for temporary uses; and
- Increasing the budget for the Metropolitan Improvement District's cleaning, safety, and hospitality services.

This memorandum describes the existing DMR/R 95/65 zone and the proposed changes and identifies one change Councilmembers may want to consider.

Existing Zoning

DMR zones are identified by the Comprehensive Plan as areas that are to be maintained for a primarily residential use. Policies related to non-residential uses in the DMR/R zone state that they should be "of modest scale, likely to change in the future, or neighborhood serving in character."

The DMR/R 95/65 zone is generally bounded by Wall Street and Lenora Street and includes the blocks fronting 1st and 2nd Avenues. It has a base FAR limit of 1.0 and a maximum FAR limit of

¹ Lodging uses include hotels, motels, bed and breakfasts, and short-term rentals.

1.5 for non-residential uses, and no FAR limit for residential uses. In this area, projects that contain no residential or live-work units are limited to a maximum height of 65 feet, while mixed-use or residential projects have a limit of 95 feet.

For uses like lodging that are subject to the FAR limits, the square footage within the structure is limited to the site size, unless a project voluntarily participates in the Downtown incentive zoning provisions, in which case the use can be 50 percent larger. The incentive zoning provisions include purchase of landmark transferable of development rights, if available. Other incentives include floor area bonuses for contribution toward childcare facilities and affordable housing, open space, human service space, or public restrooms. Mandatory housing affordability (MHA) requirements apply to all projects.

Some uses, including residential uses, are exempt from the FAR limits. The size of these uses is generally² only constrained by the height limits. These projects do not need to participate in the incentive zoning programs but do contribute to the MHA program.³

Council Bill 120631

CB 120631 would exempt new lodging projects from the FAR limits that currently apply to most non-residential uses.⁴ This would have two effects:

1. New lodging uses would be allowed to be larger, covering the lot up to 65 feet or approximately six stories or up to five or six FAR, instead of the current limit of 1.5 FAR, if the project does not include residential space.
2. Lodging uses would not be required to participate in the Downtown incentive zoning program but would continue to participate in the MHA program. This could result in less resources for Downtown landmarks or capital development of childcare facilities, but more funding for affordable housing.

In some other Downtown zones, the code allows a higher FAR limit for lodging, instead of exempting lodging floor area from FAR limits, as is proposed by this bill. For example, in the International District Mixed 75-85 zone, most non-residential uses are limited to three FAR, but hotels may be built up to six FAR.

If the Council wants to maintain the use of the incentive zoning program for lodging uses in the DMR/R 96/65 zone, it could amend Council Bill 120631 to increase the maximum FAR limit for lodging to five or six FAR rather than exempt lodging from FAR limits. This would maintain incentive zoning provisions while allowing larger lodging projects in the area.

² Along east-west streets, view corridor standards may require setbacks from the street lot line.

³ Currently, the MHA payment requirements for the DMR/R 95/65 zone are \$18.90 a square foot for commercial development, including lodging uses.

⁴ Other non-residential uses that are exempt from FAR limits downtown include childcare centers, human service uses, museums, performing arts theaters, and major retail stores in the Downtown Retail Core.

Next Steps

The Land Use Committee is scheduled to hold a public hearing on September 13 and may consider the bill at its special meeting scheduled for September 18. If the Committee votes on the bill on September 18, it could be considered by the City Council meeting as early as September 26.

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



Legislation Text

File #: CB 120632, **Version:** 1

AN ORDINANCE relating to land use and zoning; amending the Official Land Use Map (Chapter 23.32 of the Seattle Municipal Code) to rezone certain land in the Downtown Retail Core; and amending Sections 23.49.008 and 23.49.058 of the Seattle Municipal Code to increase housing capacity and downtown activation.

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

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to land use and zoning; amending the Official Land Use Map (Chapter 23.32 of the Seattle Municipal Code) to rezone certain land in the Downtown Retail Core; and amending Sections 23.49.008 and 23.49.058 of the Seattle Municipal Code to increase housing capacity and downtown activation.

..body

WHEREAS, greater downtown Seattle has experienced significantly increased vacancy rates for commercial office and retail uses since the COVID-19 pandemic; and

WHEREAS, The City of Seattle holds it as a high priority to support economic recovery for downtown neighborhoods; and

WHEREAS, City departments are engaging in planning processes for long-term solutions to increase downtown activity and vitality that may include programmatic strategies and capital investments; and

WHEREAS, in addition to long-term strategies, a variety of immediate actions are sought to increase downtown activation and vitality in the short-term; and

WHEREAS, Mayor Bruce Harrell has convened stakeholders for input and is formulating a suite of actions to support downtown as part of a Downtown Activation Plan including this proposed zoning amendment to a portion of the Downtown Retail Core zone; and

WHEREAS, this proposed action would increase housing capacity, and through application of the City’s Mandatory Housing Affordability (MHA), increase housing affordability, and mitigate displacement; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

1 Section 1. Section 23.49.008 of the Seattle Municipal Code, last amended by Ordinance
2 126857, is amended as follows:

3 **23.49.008 Structure height**

4 The following provisions regulating structure height apply to all property in Downtown zones
5 except the DH1 zone. Structure height for PSM, IDM, and IDR zones is regulated by this Section
6 23.49.008, and by Sections 23.49.178, 23.49.208, and 23.49.236.

7 A. Base and maximum height limits

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

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

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

1 height limit for portions of a structure in residential use is shown as the first figure following the
2 "/". The third figure shown is the maximum residential height limit. Except as stated in
3 subsection 23.49.008.D, the base residential height limit is the applicable height limit for
4 portions of a structure in residential use if the structure does not achieve bonus residential floor
5 area according to Chapter 23.58A, and the maximum residential height limit is the height limit
6 for portions of a structure in residential use if the structure achieves bonus residential floor area
7 according to Chapter 23.58A:

8 DOC1 Unlimited/450-unlimited

9 DOC2 500/300-550

10 DMC 340/290-440

11 DMC 240/290-440.

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

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

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

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

4 d. Any residential floor area allowed above the base residential height
5 limit under this provision is achieved according to Chapter 23.58A;

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

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

20 2) Up to 20 percent of the area used to satisfy the open space
21 condition to allowing additional height may be covered by the following features: permanent,
22 freestanding structures, such as retail kiosks, pavilions, or pedestrian shelters; structural
23 overhangs; overhead arcades or other forms of overhead weather protection; and any other

1 features approved by the Director that contribute to pedestrian comfort and active use of the
2 space. The following features within the open space area may count as open space and are not
3 subject to the percentage coverage limit: temporary kiosks and pavilions, public art, permanent
4 seating that is not reserved for any commercial use, exterior stairs and mechanical assists that
5 provide access to public areas and are available for public use, and any similar features approved
6 by the Director.

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

9 g. Open space used to satisfy the condition to allowing additional height in
10 this Section 23.49.008 may qualify as common recreation area to the extent permitted by
11 subsection 23.49.011.B and may be used to satisfy open space requirements in subsection
12 23.49.016.C.1 if it satisfies the standards of subsection 23.49.016.C.1.

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

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

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

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

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

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

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

9 6. Restrictions on demolition and alteration of existing structures

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

17 b. The Director shall evaluate whether the manner in which the facade is
18 proposed to be preserved meets the intent to preserve the architecture, character, and history of
19 the Retail Core. If a structure on the lot is a Landmark structure, approval by the Landmarks
20 Preservation Board for any proposed modifications to controlled features is required prior to a
21 decision by the Director to allow or condition additional height for the project. The Landmarks
22 Preservation Board's decision shall be incorporated into the Director's decision. Inclusion of a
23 structure on the list below is solely for the purpose of conditioning additional height under this

1 subsection 23.49.008.A.6.b, and shall not be interpreted in any way to prejudge the structure's
 2 merit as a Landmark:

3

<u>Shafer Building/Sixth and Pine Building</u>	((523)) <u>515 Pine Street</u>
<u>Decatur Building</u>	((1513)) <u>1521 6th Avenue</u>
<u>Coliseum Theater Building</u>	<u>5th Avenue and Pike Street (northeast corner)</u>
<u>Northern Bank and Trust/Seaboard Building</u>	1506 Westlake Avenue
<u>Liggett/Fourth and Pike Building</u>	1424 4th Avenue
((Pacific First Federal Savings)) <u>Great Northern Building</u>	((1400)) <u>1404 4th Avenue</u>
<u>Joshua Green Building</u>	1425 4th Avenue
((Equitable Building)) <u>Holland Building/MiKen Building</u>	((1415)) <u>1417 4th Avenue</u>
((Mann Building))	((1411 3rd Avenue))
((Olympic Savings Tower))	((217 Pine Street))
((Fischer Studio Building))	((1519 3rd Avenue))
<u>Bon Marche (Macy's)</u>	((3rd and Pine)) <u>300 Pine Street</u>
((Melbourne House))	((1511 3rd Avenue))
((Former Woolworth's Building))	((1512 3rd Avenue))

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

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

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

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

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

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

13 c. The applicable height limit for portions of a structure that contain
14 residential uses is 85 feet if extra floor area is achieved according to Section 23.49.023 and
15 Chapter 23.58A, the structure has no non-residential or live-work use above 85 feet, and the
16 structure does not qualify for a higher limit for residential uses under subsection
17 23.49.008.A.9.d.

18 d. The applicable height limit is 170 feet if extra floor area is achieved
19 according to Section 23.49.023 and Chapter 23.58A, the structure has no non-residential or live-
20 work use above 85 feet, the lot is at least 40,000 square feet in size and includes all or part of a
21 mid-block corridor that satisfies the conditions of Section 23.58A.040, except to the extent the
22 Director grants a waiver of such conditions, and the standards of Section 23.49.060 are satisfied.

1 B. Structures located in DMC 240/290-440, DMC 340/290-440, or DOC2 500/300-550
2 zones may exceed the maximum height limit for residential use, or if applicable the maximum
3 height limit for residential use as increased under subsection 23.49.008.A.4 as follows (~~(, by ten~~
4 ~~percent of that limit, as so increased if applicable, if)):~~

5 1. (~~(The facades of the portion of the structure above the limit do not enclose an~~
6 ~~area greater than 9,000 square feet, and))~~ The limit may be exceeded by ten percent as increased
7 under subsection 23.49.008.A.4 if:

8 a. The facades of the portion of the structure above the limit do not
9 enclose an area greater than 9,000 square feet, and

10 b. The enclosed space is occupied only by those uses or features otherwise
11 permitted in this Section 23.49.008 as an exception above the height limit.

12 2. (~~(The enclosed space is occupied only by those uses or features otherwise~~
13 ~~permitted in this Section 23.49.008 as an exception above the height limit. The exception in this~~
14 ~~subsection 23.49.008.B shall not be combined with any other height exception for screening or~~
15 ~~rooftop features to gain additional height.))~~ The limit may be exceeded by ten percent as
16 increased under subsection 23.49.008.A.4 if applicable if an elementary or secondary school is
17 contained anywhere within the same structure.

18 The exceptions in this subsection 23.49.008.B shall not be combined with any other
19 height exception for screening or rooftop features to gain additional height. The exception under
20 subsection 23.49.008.B.2 is allowed in addition to the exception under subsection 23.49.008.B.1.

21 * * *

22 Section 2. Section 23.49.058 of the Seattle Municipal Code, last amended by Ordinance
23 126855, is amended as follows:

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

A. For purposes of this Section 23.49.058, except in zones with a mapped height limit of 170 feet or less, a "tower" is a portion of a structure, excluding rooftop features permitted above the applicable height limit pursuant to Section 23.49.008, in which portion all gross floor area in each story is horizontally contiguous, and which portion is above (i) a height of 85 feet in a structure that has any non-residential use above a height of 65 feet or does not have residential use above a height of 160 feet or contains an elementary or secondary school; or (ii) in any structure not described in clause (i) a height determined as follows:

1. For a structure on a lot that includes an entire block front or that is on a block front with no other structures, 65 feet; or

2. For a structure on any other lot, the height of the facade closest to the street property line of the existing structure on the same block front nearest to that lot, but if the nearest existing structures are equidistant from that lot, then the height of the higher such facade; but in no instance shall the height exceed 85 feet or be required to be less than 65 feet.

* * *

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

1 b. From a structure on the same block that is not located in a DMC zone;

2 or

3 c. From a structure allowed pursuant to the Land Use Code in effect prior
4 to May 12, 2006; or

5 d. From a structure on the same block that is 160 feet in height or less,
6 excluding rooftop features permitted above the applicable height limit for the zone pursuant to
7 Section 23.49.008; or

8 e. From a structure in a DMC 170.

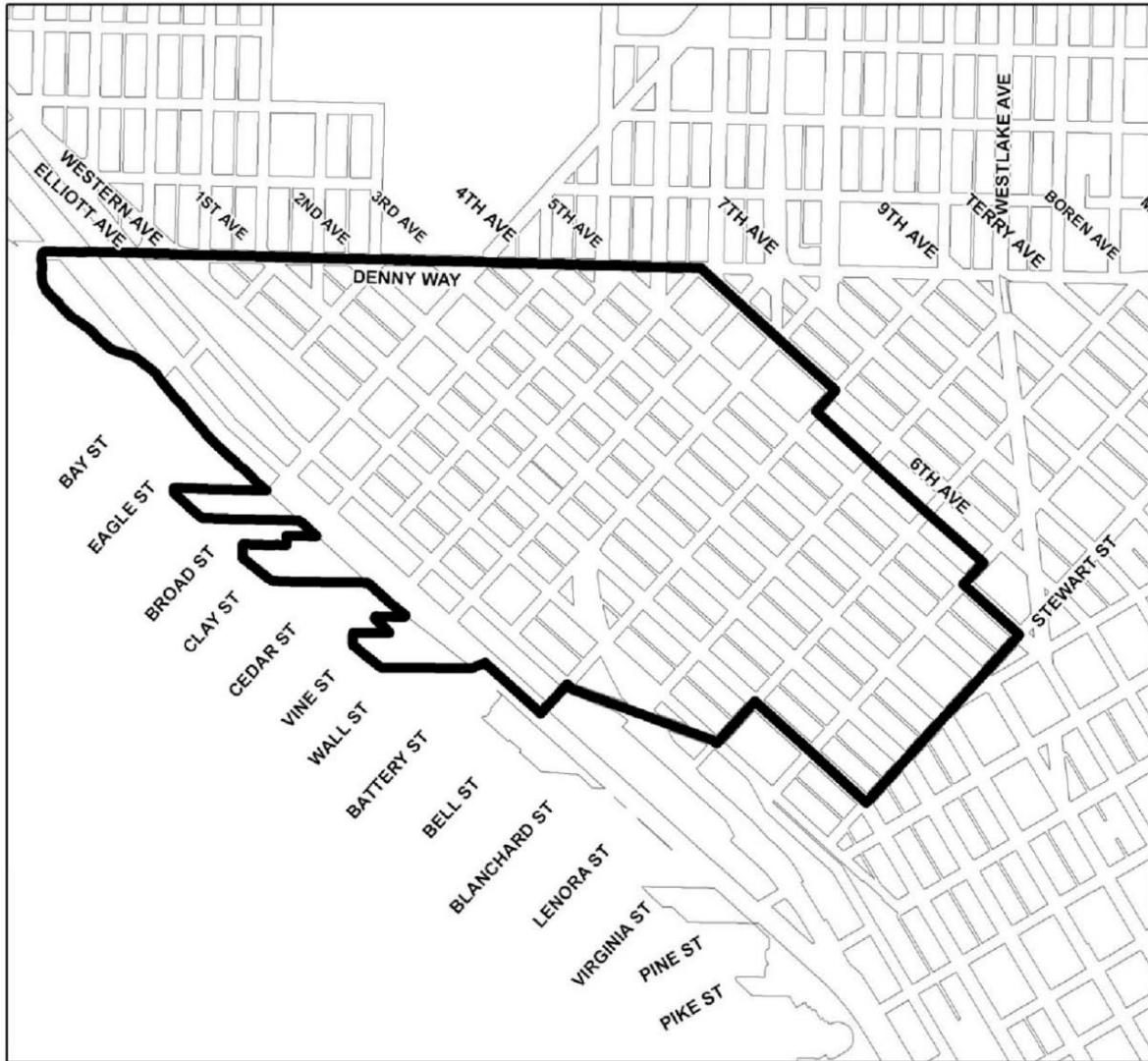
9 2. Except as otherwise provided in this subsection 23.49.058.D, in the DMC
10 240/290-440 zone located between Stewart Street, Union Street, Third Avenue, and First
11 Avenue, if any part of a tower exceeds 160 feet in height, then all portions of the tower that are
12 above 125 feet in height shall be separated from any other existing tower that is above 160 feet in
13 height, and the minimum separation required between towers from all points above the height of
14 125 feet in each tower is ~~((200))~~ 60 feet.

15 3. Except as otherwise provided in this subsection 23.49.058.D, in a DMC zone
16 with a mapped height limit of more than 170 feet located either in Belltown, as shown on Map A
17 for 23.49.058, or south of Union Street, if any part of a tower exceeds 160 feet in height, then all
18 portions of the tower that are above 125 feet in height must be separated from any other existing
19 tower that is above 160 feet in height, and the minimum separation required between towers
20 from all points above the height of 125 feet in each tower is 80 feet.

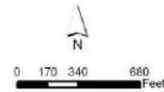
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Map A for 23.49.058 Belltown

Map A for 23.49.058 Belltown



— Belltown Boundary



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2

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

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

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

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

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

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

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

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

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

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

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

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

19 ~~((i-the))~~ 1) The application has not been withdrawn or cancelled
20 without the tower having been constructed; and

21 ~~((ii-if))~~ 2) If a decision on that application has been published or a
22 permit on the application has been issued, the decision or permit has not expired, and has not
23 been withdrawn, cancelled, or invalidated, without the tower having been constructed.

1 c. The tower is a proposed tower for which a complete application for
2 early design guidance has been filed and a complete application for a Master Use Permit or
3 building permit has not been submitted, provided that the early design guidance application will
4 not qualify a proposed tower as an existing tower if a complete Master Use Permit application is
5 not submitted within 90 days of the date of the early design guidance public meeting if one is
6 required, or within 90 days of the date the Director provides guidance if no early design meeting
7 is required, or within 150 days of the first early design guidance public meeting if more than one
8 early design guidance public meeting is held.

9 * * *

10 Section 3. The Official Land Use Map, Chapter 23.32 of the Seattle Municipal Code, is
11 amended to rezone properties identified on page 109 of the Official Land Use Map as shown on
12 Attachment 1 attached to this ordinance.

1 Section 4. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2023,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2023.

7 _____
8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this _____ day of _____, 2023.

10 _____
11 Bruce A. Harrell, Mayor

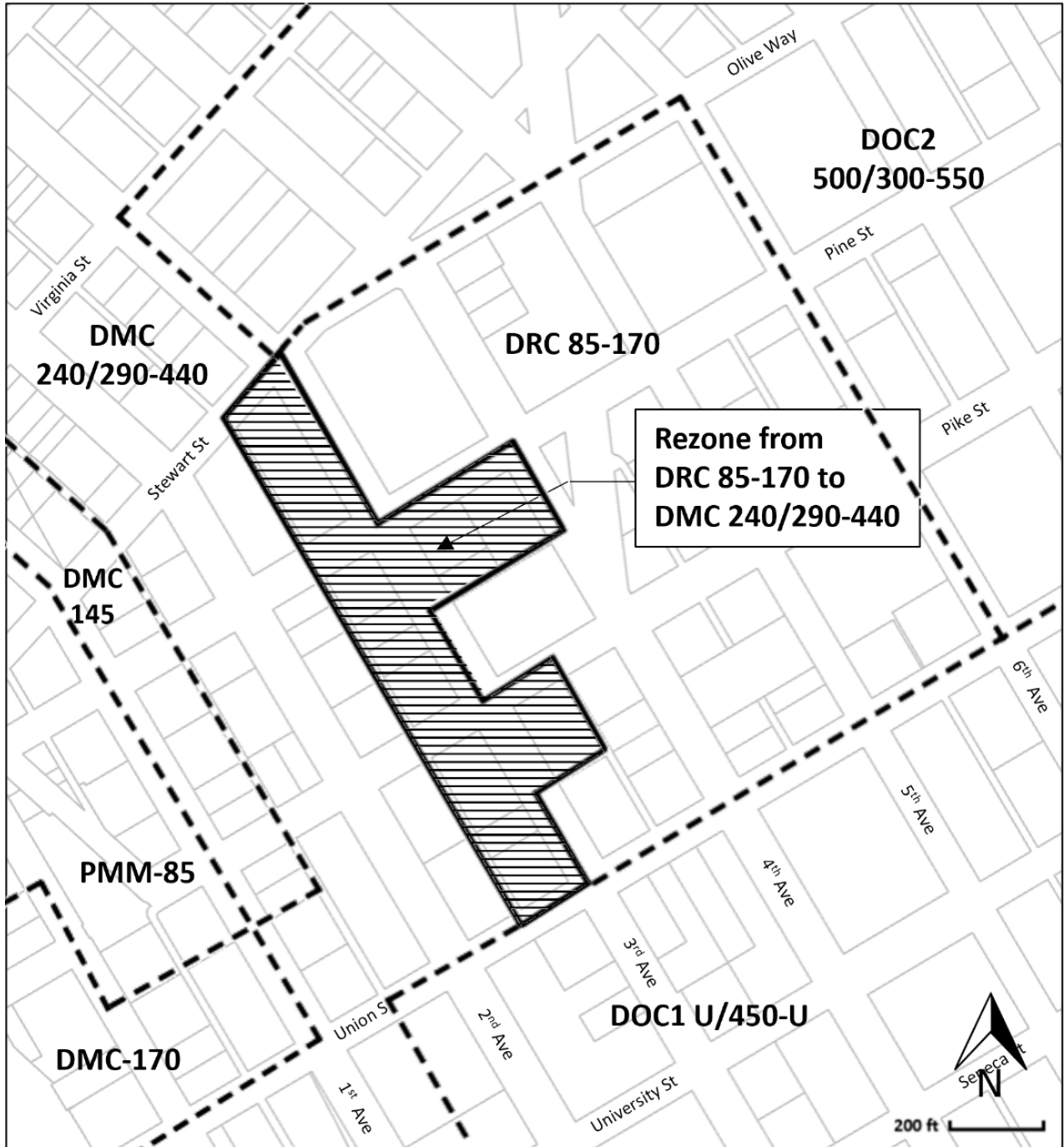
12 Filed by me this _____ day of _____, 2023.

13 _____
14 Scheereen Dedman, City Clerk

15 (Seal)

16
17
18
19 Attachments:
20 Attachment 1 – Rezone Map

Attachment 1 – Rezone Map



SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Office of Planning & Community Development (OPCD)	Geoff Wentlandt	Christie Parker

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to land use and zoning; amending the Official Land Use Map (Chapter 23.32 of the Seattle Municipal Code) to rezone certain land in the Downtown Retail Core; and amending Sections 23.49.008 and 23.49.058 of the Seattle Municipal Code to increase housing capacity and downtown activation.

Summary and Background of the Legislation:

This land use legislation is one component of the Downtown Activation Plan. The legislation rezones 11 parcels of land that are strategically located within a 5-block area near the center of downtown. Zoning is changed from the Downtown Retail Core (DRC) zone to the Downtown Mixed Commercial (DMC) zone.

This legislation makes one zoning map change as well as small amendments to text provisions of the Land Use Code (Seattle Municipal Code Title 23) to revitalize the retail core area along Third Avenue. The changes include the following elements:

1. Rezone parts of the Retail Core area into mixed commercial. The proposed rezone is from DRC 85-170 to DMC 240/290-440.
2. Amend the land use code at SMC 23.49.058.D to address tower spacing to apply a 60 foot tower spacing requirement for the proposed rezone area.
3. Amend the Land Use Code at SMC 23.49.058.A allowing a podium height of 85 feet, and amending SMC 23.49.008.B giving a height limit exception of 10 percent, for a structure that contains an elementary or secondary school.

2. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The legislation has minor short-term impacts on SDCI, because SDCI permit review staff would need to be made aware of the land use code text changes in a training or e-mail

communication, and there will be minor IT costs associated with changing a zoning map. However, these costs can be absorbed within the existing budget.

Are there financial costs or other impacts of *not* implementing the legislation?

No.

3. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
Seattle Department of Construction & Inspections (SDCI) staff training will be needed. SDCI staff will need to be made aware of the code amendment for the purposes of permit review. One-time IT costs of \$20,000 for both the Downtown retail core legislation and the Belltown lodging legislation combined can be absorbed within SDCI's existing budget.
- b. Is a public hearing required for this legislation?**
Yes
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
Yes. OPCD published a SEPA determination of non-significance (DNS) on June 22nd in the DJC and the City's Land Use Information Bulletin. No SEPA appeals were received.
- d. Does this legislation affect a piece of property?**
This legislation applies to 11 properties within the rezone area. A component of the legislation strengthens existing incentives for a school facility to be located in a downtown zone, which affects most of downtown.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
This legislation could have the effect of facilitating additional market rate housing in an area of central downtown. The price of the market rate housing units will likely serve households with incomes above 100 percent AMI. This may be perceived as an impact on historically disadvantaged communities if those communities would have difficulty accessing the housing opportunities. However, any new development in the zone would contribute to affordable housing through the MHA program in an amount estimated at between \$4 million to \$8 million. Such funds would be used to increase low-income housing in Seattle.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No. This is a project action. Emissions will be considered as part of the environmental review of any future developments in the zone. The location is exceptionally well served by transit.

- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

The legislation increases resiliency because it is expected to create a better balance between residential uses and commercial/office uses in the downtown area.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?**

No.

Downtown Retail Core Zoning Amendment



Director's Report and Recommendation
Office of Planning and Community Development
June, 2023



Introduction

In April of 2023, Mayor Bruce Harrell unveiled the first stage of a Downtown Activation Plan to revitalize and reimagine Seattle's downtown. Mayor Harrell introduced a set of immediate actions and short-term steps to make downtown neighborhoods safe, welcoming, and active, including issuing an Executive Order to address the public health and safety impacts of the fentanyl crisis. Mayor Harrell called for building toward the downtown of the future – a complete and thriving downtown neighborhood welcoming to families, workers, small businesses, visitors, tourists, and everyone who calls Seattle home.

The proposed land use legislation is one component of the Downtown Activation Plan. We propose to rezone 11 parcels of land that are strategically located within a 5-block area near the center of downtown. Zoning would be changed from the Downtown Retail Core (DRC) zone to the Downtown Mixed Commercial (DMC) zone. We believe the legislation will spur progress towards the following objectives:

- Increase the livability and vitality of blocks that are centrally located within Downtown.
- Increasing residential units within the center of downtown to draw more tenants and activate the street level retail and bring more live, work, play environment.
- Encouraging new investment that can upgrade the physical environment to better address current conditions.

Background

Several existing conditions warrant a change to zoning for some of the Downtown Retail Core.

Trends in Retail. Retail is undergoing a transformation brought about by advances in technology and changes in behavior. An expansion of online retailing that was accelerated during the COVID-19 pandemic has led to weakened demand for traditional brick and mortar retail space in some areas including Downtown Seattle. Land use policy and zoning for Seattle's Downtown Retail Core was created long before current online retail trends. The function and character of central downtown as a destination shopping center has declined to some degree. At the time of this writing there are numerous empty ground floor retail spaces in the retail core area. (See figure 17). Reasons for the vacancies are varied, but a contributing factor is the permanent move away from brick-and-mortar shopping. In consideration of this trend a modest reduction to the size and scope of the Downtown Retail Core should be considered.

Unique Third Avenue Corridor Conditions. The Third Avenue corridor in downtown Seattle has some of the highest bus transit frequency and bus transit ridership of anywhere in the country. At peak hours, composite activity on Third Avenue creates an overcrowded public realm. The high pedestrian volumes and long bus queues, with little discretionary staying or

lingering create an activity pattern that is not fully compatible with a retail core environment. Third Avenue passes through the western edge of the current Downtown Retail Core zone designation.

Limited Investment. In recent years, new development has been more limited in the Downtown Retail Core zone compared to other nearby zones in the downtown area. As a result of a lack of recent investment combined with the heavy volume of transit riders passing through the streetscape, there are signs of deferred maintenance, outdated facades, and street furniture in disrepair. These physical features negatively impact the pedestrian experience and, indirectly, the vitality of adjacent businesses. Therefore, strategies to encourage new investment and revitalization of physical structures could be warranted.

Residential uses. Neighboring zones to the Downtown Retail Core area have produced construction of residential tower structures in the 40-story range. Examples in close proximity include the West Edge apartment building at 2nd Ave. and Pike St. (2018, 340 units), the 1521 Second Avenue condominium building near 2nd Ave. and Pine St. (2008, 146 units), and the Emerald condominium building at 2nd Ave. and Stewart St. (2020, 264 units). No similar residential development has occurred in the Downtown Retail Core within the same time period. In the post-pandemic context of decreased demand for office uses, increasing residential use in downtown is a policy goal for Seattle. Full time residents support nearby businesses and generate other economic activity downtown.

Disruption of street disorder. During research for this proposal OPCD consulted directly with property owners who manage buildings in the proposed rezone area. All of the owners reported illicit activities adjacent to their buildings including sales of illegal narcotics and stolen goods and vandalism of property. Significant new construction activity in the area would be one way to disrupt patterns of street disorder and illicit activity. Construction activity for major new development often spans one to two years. The disruptive effects of construction in key blocks could be a step towards resetting existing negative activity patterns in core blocks.

Support for Downtown Schools. Support by the City of Seattle for a downtown school is a priority, and the City is in coordinating discussions with Seattle Public Schools. Innovative configuration of an urban school could be as part of mixed-use building. A location in downtown that is well served by light rail and other transit would allow very convenient access by students, faculty and parents. To incentivize the potential inclusion of a new school a part of this proposal is to increase the allowable podium height of a structure if it includes an elementary or secondary school and allow a corresponding maximum height increase for residential use in the same structure.

Proposal

The Office of Planning and Community Development proposes to make a zoning map change and small amendments to text provisions of the Land Use Code (Seattle Municipal Code Title 23) to revitalize the retail core area along the third Avenue. The proposal contains the following elements:

1. Rezone parts of the Retail Core area into mixed commercial. The proposed rezone is from DRC 85-170 to DMC 240/290-440.
2. Amend the land use code at SMC 23.49.058.D to address tower spacing to apply a 60-foot tower spacing requirement for the proposed rezone area.
3. Amend the land use code at SMC 23.49.058.A allowing a podium height of 85 feet, and amending SMC 23.49.008.B giving a height limit exception of 10 percent, for a structure that contains an elementary or secondary school.

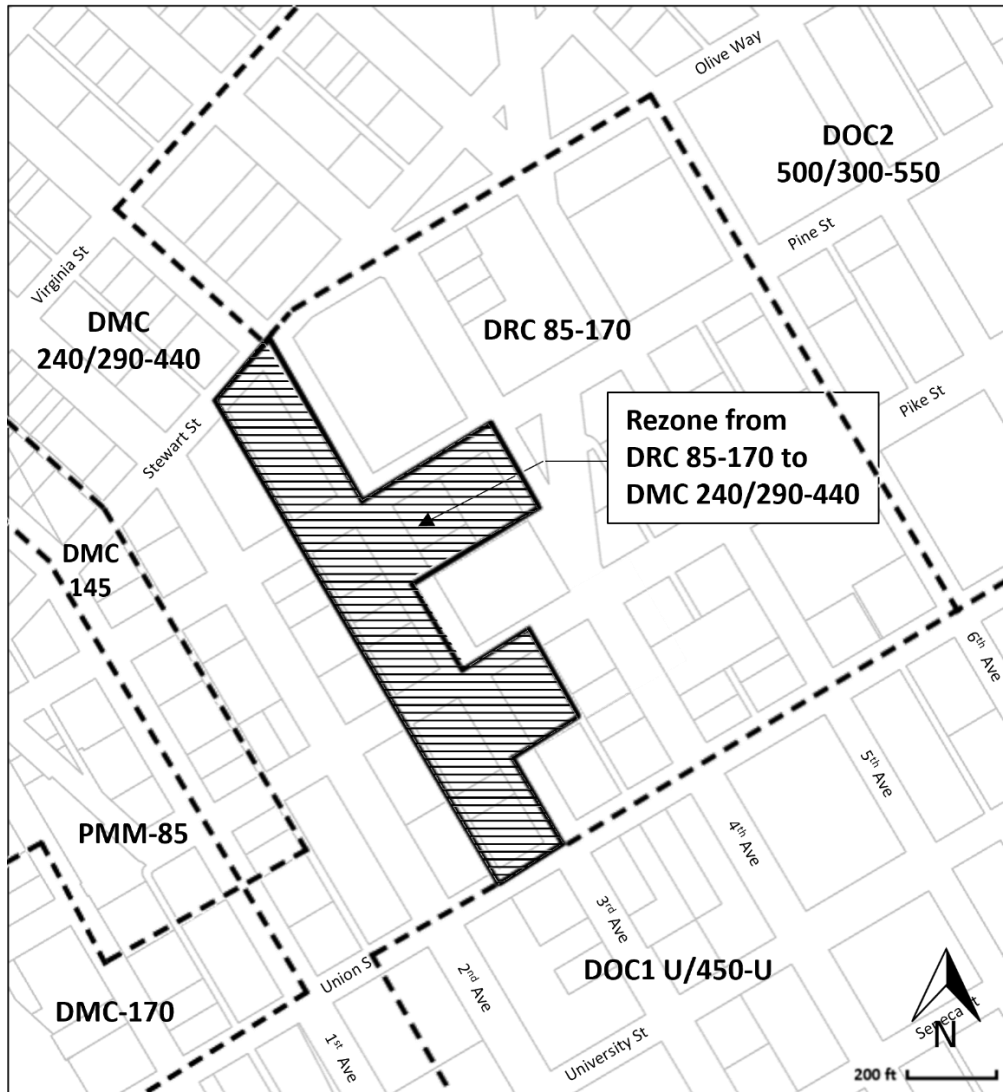


Figure 1 Proposed Rezone Area Map

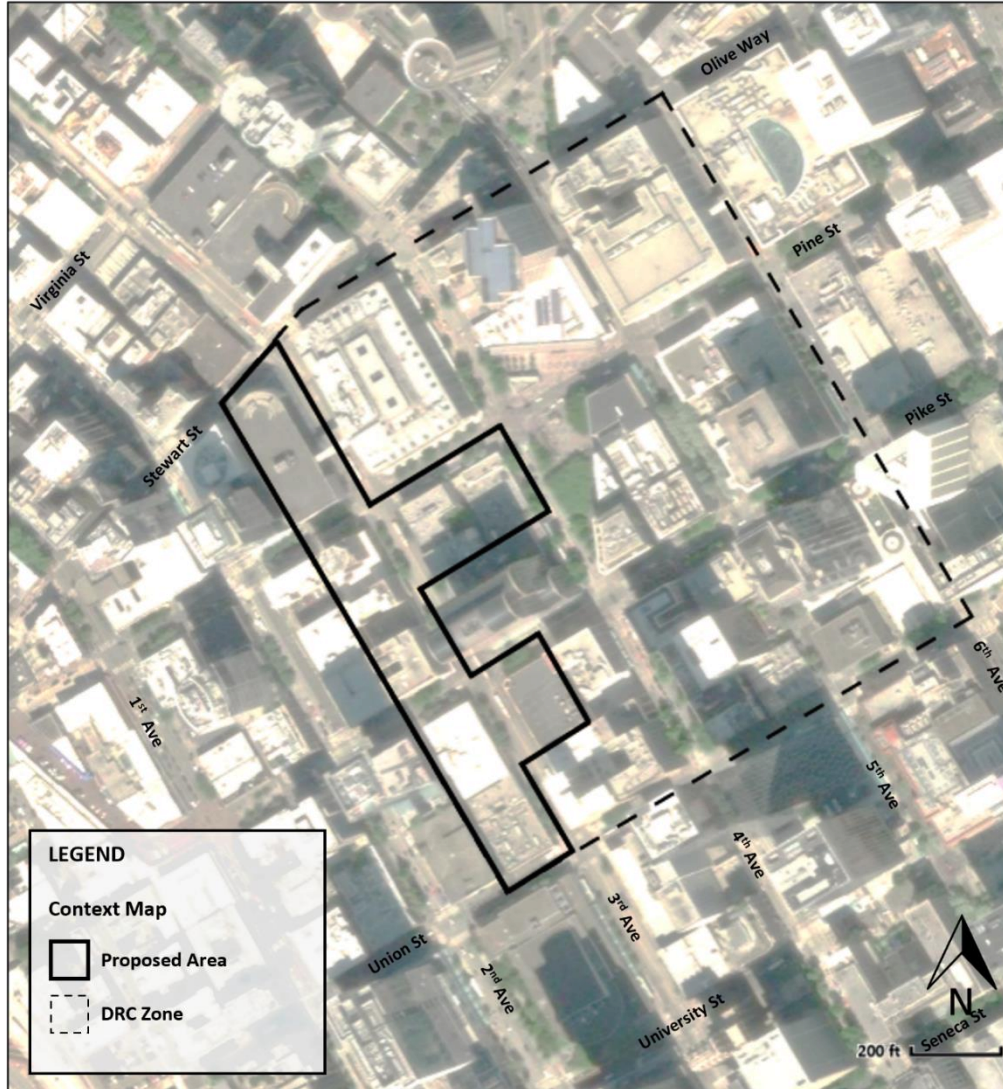


Figure 2 Aerial Image of the rezone area with existing context

The map above is an aerial image showing the proposed rezone area and the existing extent of the Downtown Retail Core (DRC) zone.

The following discussion summarizes what the key changes to development standards would be between the DRC zone and the DMC zones. This is a summary and 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 feet, the first figure after the zone designation. • For residential use, the base height limit is 290 feet • For residential use the maximum height is 440 feet. 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.

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 are 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 percent of bonus floor area derived from affordable housing (via MHA), and a contribution to child care • 25 percent 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 • Child care 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 of 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 percent 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	DMC 240/290-440
<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 amd recycling, • high-impact uses; • adult theaters and panorams; • 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 FACADE REQUIREMENTS

DRC 85-170	DMC 240/290-440
<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 percent 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 child care • 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>Facade requirements</p> <ul style="list-style-type: none"> • Minimum facade height of 35 feet • Facades must be placed close to the sidewalk • 60 percent transparency requirement for ground floor facade • Limitation on blank facades 	<p>Facade 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 facade height of 25 feet • Facades must be placed close to the sidewalk • 60 percent transparency requirement for ground floor facades • Blank facade limits

The overall effect of the proposed change with respect to street level uses and facade 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	DMC 240/290-440
<ul style="list-style-type: none"> • 15-foot setback required above 85 feet of structure height 	<ul style="list-style-type: none"> • Proposed legislation would set tower separation at 60 feet for the affected area, which is the same as the Denny Triangle area.

	<ul style="list-style-type: none"> • 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 feet • 15-foot setback required above 45 feet on green streets
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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 below).

PARKING

DRC 85-170	DMC 240/290-440
<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.

ENCOURAGEMENT FOR INCLUSION OF ELEMENTARY OR SECONDARY SCHOOL SPACE

Podium Heights – In most downtown zones, upper level floor plates are limited above the podium, while the floor plates of a podium at the base of a structure are not limited.	
Existing Code	Proposed
<ul style="list-style-type: none"> • Podium height is 85 feet if the structure has commercial uses above 65 feet or does not have residential uses above 160 feet. • Podium height is 65 feet if the development occupies an entire block front. • Podium height is the height of the closest nearest existing structure if 	<ul style="list-style-type: none"> • Podium height is 85 feet for any development that includes an elementary or secondary school. • All other podium height provisions stay the same.

there are other structures on the block front.	
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The overall effect of the podium height change is that a development that includes an elementary or secondary school could have a larger mass and height. A school would most likely be in the base of a building as it would need a large floor plate, easy access by families, and spaces for gathering and recreation. This change is proposed to apply in all Downtown Office Core 1 and 2 (DOC1 and DOC2) zones and all Downtown Mixed Commercial (DMC) zones. The effect of this potential changes overall on downtown is minor because the number of potential schools is very limited. In a best case scenario only one or two schools would be likely to locate downtown. It would take years of planning for Seattle Public Schools to work with a potential developer to create a downtown public school, and funding for such a facility would need to be identified in a capital levy. There are significant practical challenges to overcome to include a school in a large new mixed use residential building, which limit the likelihood of a school in a new mixed-use building.

Height Limit Exception	
Existing Code	Proposed
<ul style="list-style-type: none"> • DMC 240/290-440, DMC 340/290-440, or DOC2 500/300-550 zones contain a 10 percent height limit exception if the excepted space includes only rooftop features and the area enclosed does not exceed 9,000 sq. ft. 	<ul style="list-style-type: none"> • A 10 percent height exception would be added in the building includes space for an elementary or secondary school in the same zones.

The overall effect of the height limit exception is that a development that includes an elementary or secondary school at its base could have 44 feet of additional height in its residential tower. This would likely result in 3-4 additional stories in the residential tower depending on the zone. As noted above, the overall effect of this change in downtown would be limited because of the small number of new schools expected.

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. 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 vacant are more likely to be redeveloped.

The presence of historic landmarks also affects the propensity of redevelopment because landmark status makes redevelopment more complicated and limited.

In consideration of these and other factors OPCD provides a general estimation of the amount of redevelopment¹ that would be likely to occur over a 20-year time horizon if zoning is changed. The estimate is made by assigning a redevelopment probability to sites and blocks.

- 2 redevelopment projects would be likely
- If certain factors and conditions are less favorable to development over the time horizon, a scenario where zero redevelopment occurs is a plausible low-end outcome.
- If certain factors and conditions more favorable to redevelopment during the time horizon, a high end estimate of 4 redevelopment projects within the area is an upper bound.

It is assumed that the redevelopments would be primarily housing and it is assumed that the redevelopment projects would include street level retail space. Commercial uses are assumed to be a minor component of the new development, except for hotels. It is assumed that a portion of the estimated residential units could alternatively be made into hotel rooms.

¹ Redevelopment here is considered largescale construction close to the maximum zoning envelope, not rehabilitation and reuse of an existing structure.



Figure 3 Redevelopment Potential in the DRC Zone

The map above shows an assessment of the parcels that are more or less likely to redevelop in a range from low to high. Factors considered are scale of existing development, landmark status, and building occupancy. It is unknown even for sites identified as having a relatively higher likelihood of redevelopment whether these would be redeveloped within a 20-year time horizon.

Development Examples in Existing and Proposed Zones

To illustrate the difference in the type of development that is likely in the existing DRC 85-170 zone compared to the proposed DMC 240/290-440 zone we can review currently proposed development projects and recently completed buildings under those zoning standards. Several examples are included below.

DOWNTOWN RETAIL CORE

Two developments are currently proposed in the DRC 85-170 zone as shown on the map below. Both developments are for hotel uses and would demolish existing buildings. While both developments have submitted permits, there has been little progress on permit activity, and it is currently unclear whether either project is continuing to advance through the permitting process.

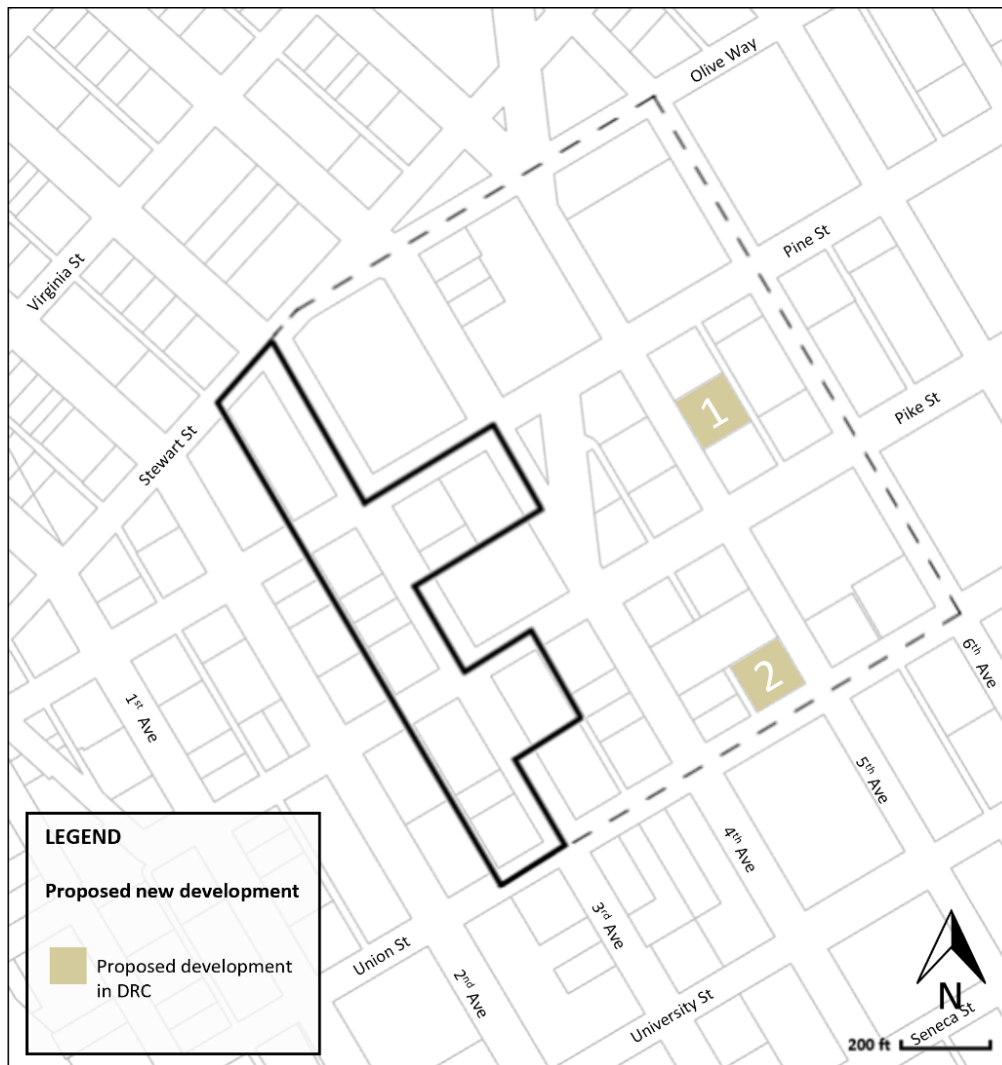


Figure 4 Proposals of development in the DRC zone

The first development (1 on the map) is for a 17-story hotel with 246 rooms and 49 apartment units, with two levels of retail in a midblock site on 5th Ave. The last permit activity was early design guidance in May of 2020. The hotel would occupy up to the 9th level of the building, and residences would occupy the floors above.

The second development (2 on the map) is for a 14-story building with 270 hotel rooms, and 70 apartment units, with about 24,000 sq. ft. of retail at the first levels of the building. The last permit activity was early design guidance in March of 2019.

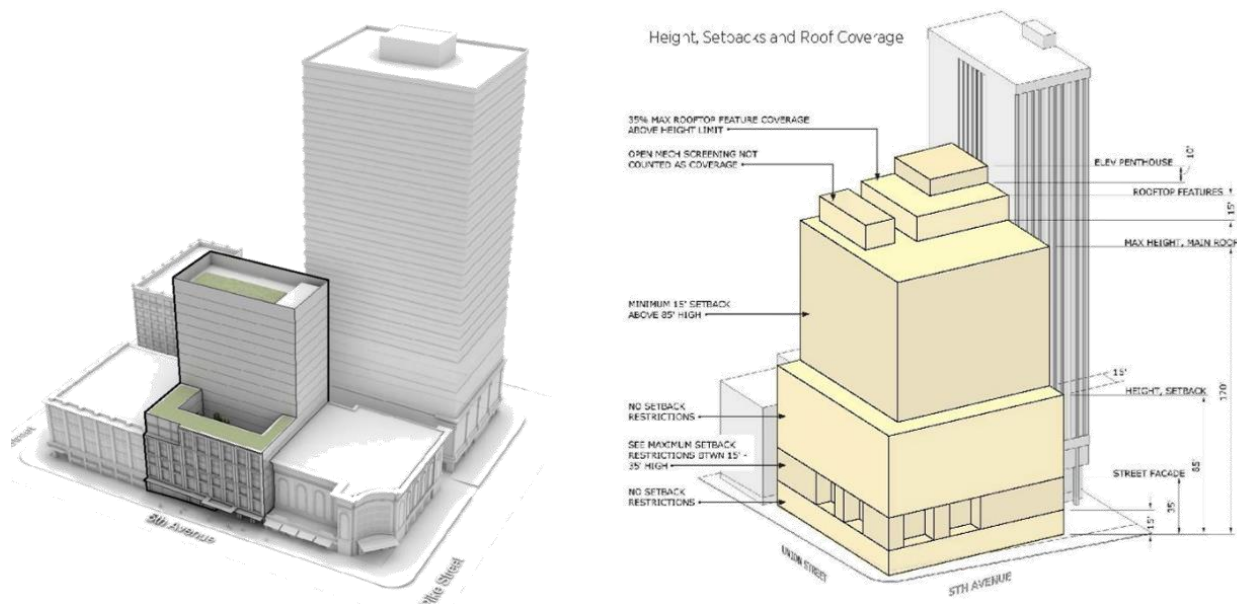


Figure 5 Proposed development- Number 1 to the left and number 2 to the right

The building proposals, especially for development 2 as shown in the diagram above, are good approximations of the zoning envelope under the existing DRC 85-170 zone. A required upper-level setback at 45 feet is apparent in both proposal. This setback is at a height similar to existing historic-aged structures in the vicinity. Both proposed buildings maximize the available 170' height limit yet are substantially shorter than other existing tower structures in the vicinity that are in a different zone or were built under prior zoning that allowed taller towers. Since floorplate size is not limited the site dimensions of development 2 largely govern the configuration and mass of upper-level floors.

DOWNTOWN MIXED COMMERCIAL 240/290-440

The DMC 240/290-440 zone has resulted in a somewhat consistent pattern of residential tower structures that are relatively slender at upper stories with a total height of approximately 40 stories. For examples we can review completed structures directly west of the rezone area along 2nd Ave. in the Commercial Core, as well as north of the rezone area in the Belltown and Denny Triangle neighborhoods. Several examples are included below.

Within the Commercial Core directly to the west of the rezone area, completed towers include the West Edge Apartments (at 2nd and Union), and the 1521 2nd Avenue condominium development as seen in the image below. The 1521 2nd Ave. building includes 146 condominiums on an approximately 16,000 sq. ft. site. The West Edge Apartments include 290 housing units in a 35-story structure. Both buildings adhere to the maximum average floor plate size limit of 10,700 sq. ft., resulting in similar dimensions at the upper floors, although the architectural massing and design varies between the two structures. Note that the West Edge Apartments are directly across the alley from the proposed rezone area. A new tower located on a site in the rezone area across the alley from West Edge would have to be located 60 feet away from the existing tower due to the proposed tower spacing requirement.



Figure 6 Existing towers in the context area

There are numerous towers constructed in the 240/290-440 zone in Belltown and Denny Triangle during the last decade. This report includes images from the development's proposal materials in those neighborhoods for clearer illustration of how zoning standards inform building design.

In Belltown, on 3rd Avenue and Virginia St. at 2000 3rd Ave. A 46-story development with a 531-unit apartment building with retail at ground levels is under construction. The building includes 1 level of retail and 6 stories of office in a podium structure that mimics the scale of existing structures in the area. The tower structure on top of the podium adheres to the maximum average floor plate of 10,700 sq. ft. and includes residences. A rooftop amenity area and view deck is located at the top of the structure, which is common in new development in the zone.



Figure 7 Proposed development in Belltown

In the Denny Triangle area, an example recently completed at the corner of Howell and Minor avenues is a 374-unit development on a 14,400 sq. ft. site. The development is 40 stories of residential development with amenity spaces on the 7th floor and at the rooftop level. Small retail spaces are provided at street level. The small site means there is not a major podium structure, and the building generally appears as a single vertical tower. As with other examples, the building meets the average maximum floor plate limit of 10,700 sq. ft. for the tower structure. The architecture gives an appearance of stacked boxes.



*Figure 8 Proposed Development in
Denny Triangle*

Tower Spacing

The proposed legislation includes a proposed 60-foot tower spacing requirement in the DMC 240/290-440 zone for the proposed rezone area. This spacing would be identical to the tower spacing requirement in DMC zones in the Denny Triangle. The regulations require spacing from existing structures over 160 feet in height that are also in the DMC zone and within the same block and permitted after 2006. Therefore, tower spacing has important effects in the rezone area. Tower spacing would be required on all three blocks on the west side of 3rd Ave. as seen in the map below. The spacing requirement would influence where towers could be located in new development on those blocks.



Figure 9 Existing and proposed towers in the context area

Historic Landmarks

Since the rezone area is one of the oldest parts of post-colonization Seattle there are a number of historic aged structures. The existing Downtown Retail core zone altogether contains 15 City of Seattle designated Historic Landmark buildings as shown on the map below. There is no Seattle historic landmark district in the vicinity of the rezone area. There are three landmarks within the proposed rezone area: the Fischer Studio Building on 1519 3rd Avenue, the Olympic Tower at the corner of 3rd Avenue and Pine St., and Mann Building on 1411 3rd Avenue described on the following pages. Other structures in the proposed rezone area are historic aged but not designated as a Landmark.

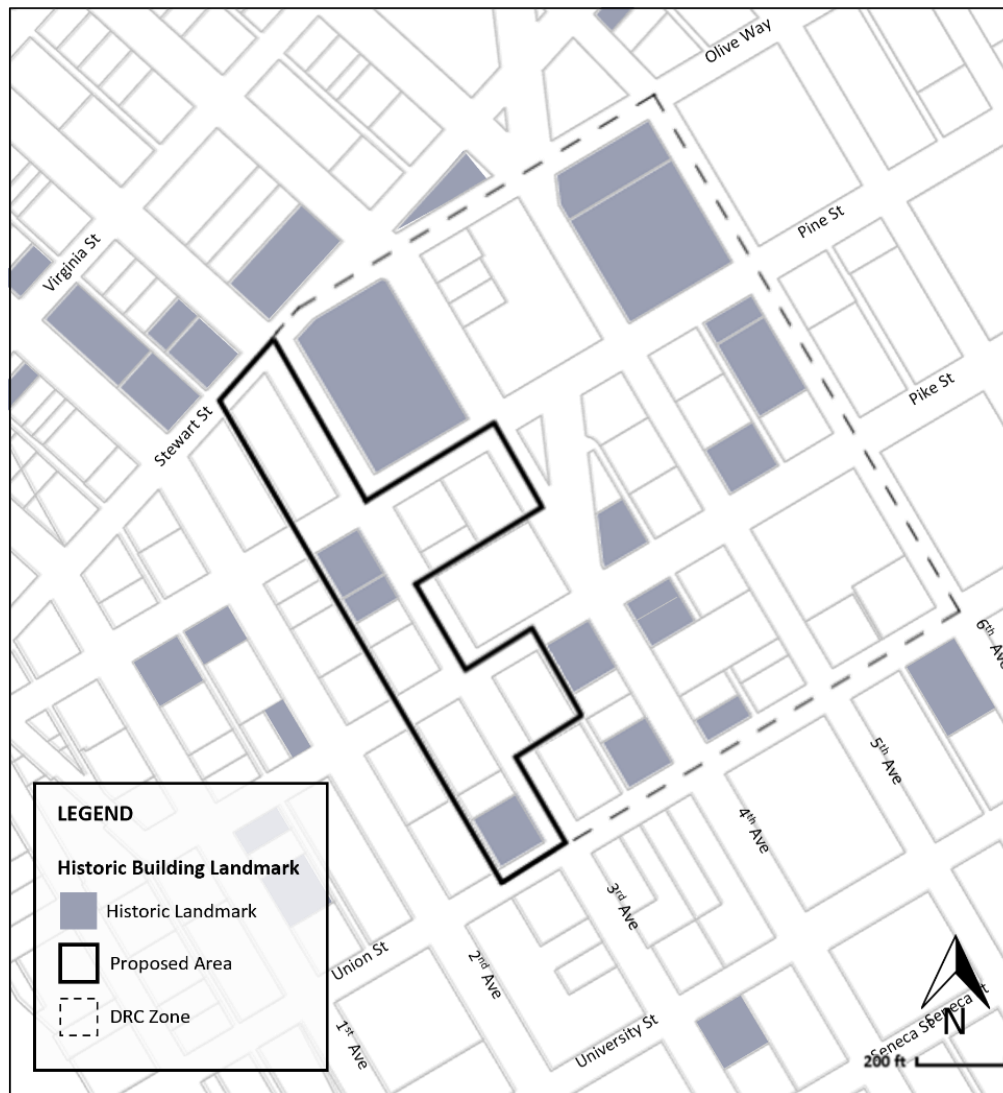


Figure 10 Historic landmarks buildings in the proposed and context area

Seattle Landmark Protections

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. Four years after designation of a landmark its owner may file an application to revoke designation or to modify or revoke the controls or economic incentives previously established with respect thereto. 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, that must be issued before any changes can be made to the designated feature of a Landmark.

Before a Certificate of Approval is issued a proposal is reviewed by staff, reviewed by an 11-member Landmarks Preservation Board, then decided upon by the Department of Neighborhoods Director. 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.

There is a review process to determine at the time of proposed development whether an object, site or improvement over 25 years old should be designated as a landmark. When development is proposed SDCI must make a referral for landmark designation for sites or objects that appear to meet criteria of landmark designation. Thresholds for this review are 20 residential units or 4,000 sq. ft. of non-residential use in downtown zones, meaning virtually all development would be subject to potential referral.

The Mann Building. The Mann Building was built in 1926. Henry Bittman, who was responsible for many downtown terra cotta buildings designed the two-story Mann Building with terra cotta skin with Gothic Revival ornamentation. The landmark designation was executed in 1985, and the designated features are the Union Street and Third Avenue facades and roof. The building currently contains the Triple Door entertainment venue. The theatre was historically named the Embassy Theatre and was once part of a cluster of vaudeville and motion picture houses in the area during the period 1905-1940.



Figure 11 Picture of the Mann Building

The Fischer Studio Building. The 8 story building was originally planned and designed by Bebb & Mendel as a retail business block in 1912 that would contain a musical instruments and piano store. In 1914-1915 the design was revised by Bebb & Gould and it was expanded in order to create specialized music teaching studios, residential accommodations and a performance space for teachers, their students, and other musicians. The building was an early apartment building in Seattle for a unique purpose. Residential units have 10' ceilings and are now owned as 28 condominiums. The designated features of the landmark are the building's exterior.



Figure 12 Picture of the Fisher Studio Building

The Olympic Tower. The Olympic Tower building is at the southwest corner of 3rd Ave. and Pine Street. It was originally called the United Shopping Tower and was an early component of the City's business district expansion north from Pioneer Square. The thirteen-story building was designed by architect Henry Bittman and is a noted example of Art Deco design executed in terra cotta. The entire exterior of the building including the facades and the roof are landmarked.



Figure 13 Picture of the Olympic Tower building

Preservation During Development.

There are examples in Seattle of sites with landmarks that have co development with additional uses. An example in downtown is the First United Methodist Church site at 811 5th Ave. which was preserved concurrent with development of the F5 Tower. An example in South Lake Union is the Troy Laundry block that preserved portions of a one-story masonry structure at the corner of Boren and Thomas St. while adding office towers. An example of co-development of a site that was historic but not a landmark in Belltown is the Crystal Swimming Pool building that retained the 1916 facades while adding a 24 story residential tower. Co-development is more likely when the scale of the existing historic structure is lower, such as one story.

Shadows

The proposed zoning change would alter the allowed height and scale of development, which could cause changes to the potential sunlight access at ground level and in open spaces. An analysis of shadow effects in different seasons from existing structures is shown below. The graphics can be used to interpolate where additional shadows would fall if new towers were constructed in the rezone area on identified potential development sites. The most important location to consider is Westlake Park because it is a public park and open space.

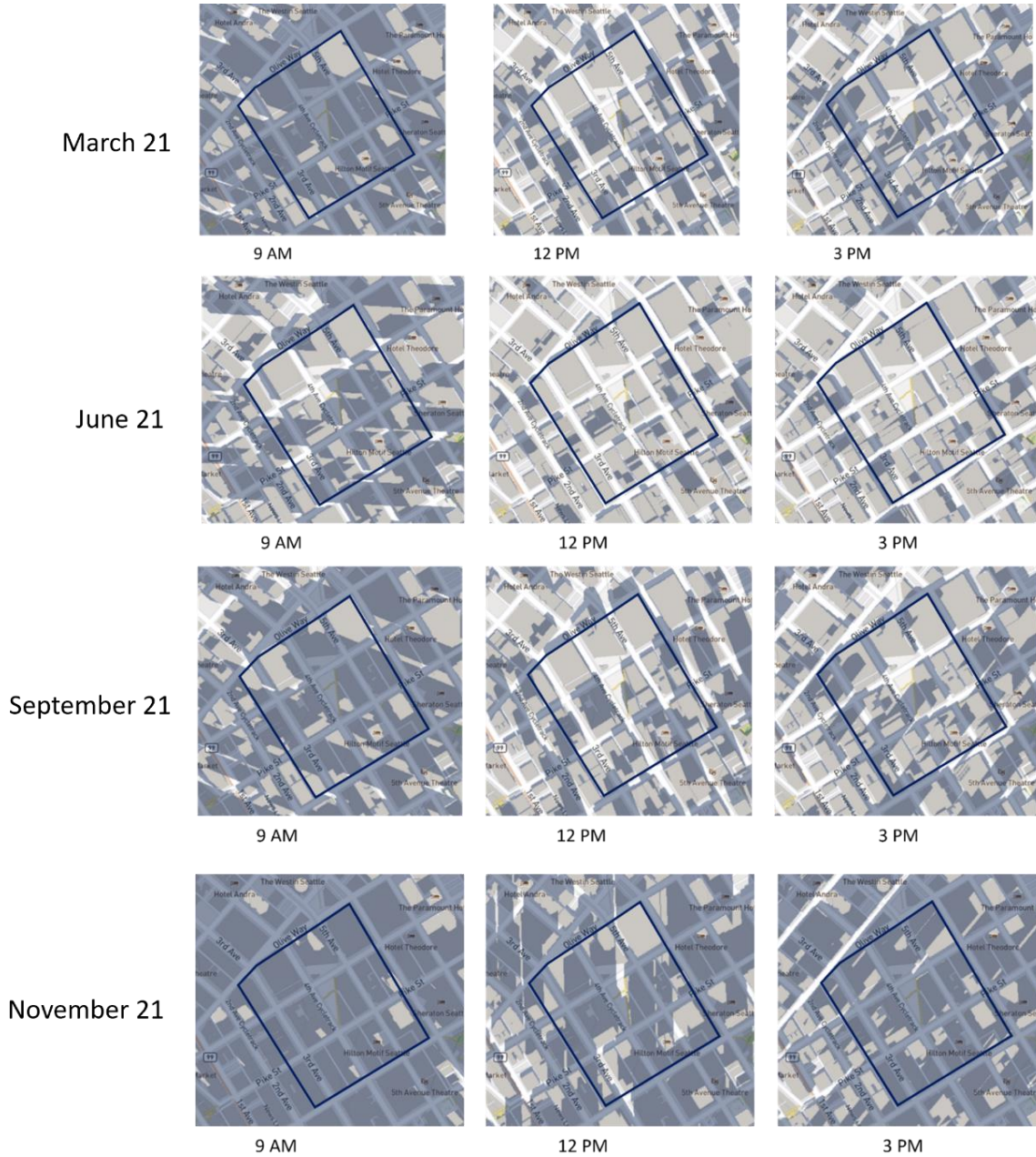


Figure 14 Shadow effect in the context area during the 4 seasons

In the **morning**, the potential for shadows from taller structures in the rezone area would not affect the adjacent properties to the northwest including Westlake Park in all the seasons, because shadows would be cast in the opposite direction and the park is shaded by existing structures at the time. At **midday** in summer, spring and fall potentially taller structures would minimally affect the adjacent properties to the north and west including Westlake Park, because the sun would be high enough so additional shadows would not be cast onto the adjacent properties. In the winter at midday Westlake Park is already shadowed by existing structures. The greatest potential shadow effects would be in the Spring and fall **afternoons** when the height of potential new structures could cast an additional shadow into the northwest corner of Westlake Park if a new structure were built at the corner of 4th and Pine, or at the site of the former Kress IGA. However it should be noted that during these times most of Westlake Park is already shaded by existing structures, and that a new structure at 4th and Pine constructed under existing zoning would likely cause the same shadowing effect.

Comprehensive Plan consistency

In the City's Comprehensive Plan the Downtown Retail Core is considered to be located within the Commercial Core – one of five neighborhoods in the Downtown Urban Center. The Comprehensive Plan describes the commercial core as a major employment center, tourist and convention attraction, shopping magnet, residential neighborhood, and regional hub of cultural and entertainment activities.

The Comprehensive Plan intended function and guidance for the Downtown Retail Core is an Area containing major department stores and having the greatest concentration of Downtown's retail activity. The DRC land use district is intended to:

- Provide the principal center of shopping for both Downtown and the region;
- Allow uses other than retail with the general intent that they augment but do not detract from this primary function, and promote housing in the area to complement its principal retail function; and
- Maintain an active and pleasant street-level environment through development standards specifically tailored to the unique function and character of this area.

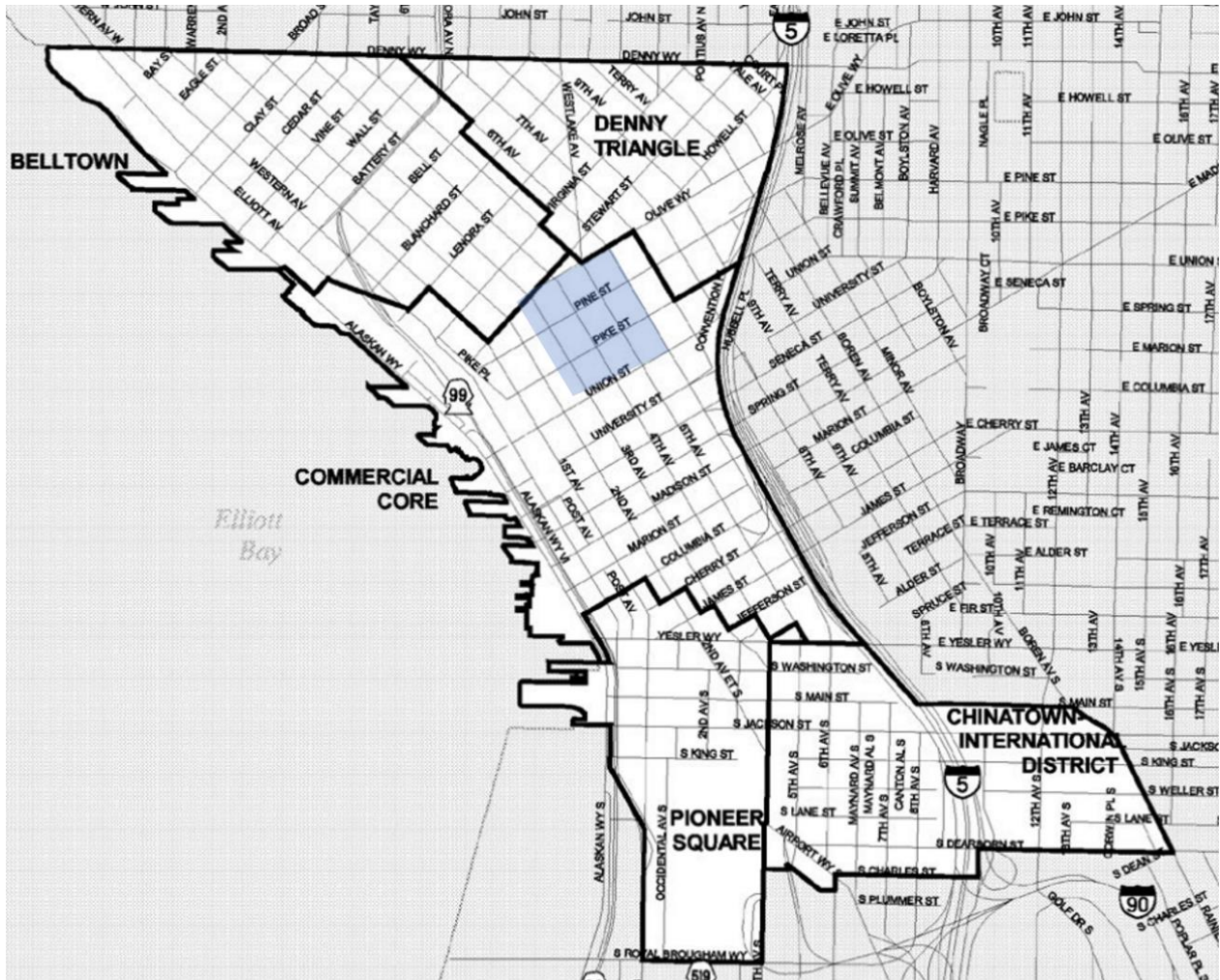


Figure 15 the position of the DRC zone within the Downtown neighborhoods

The map above shows the position of the Downtown Retail Core (DRC) zone within the Comprehensive Plan's identification of downtown neighborhoods. An effect of the proposed legislation would be to extend development patterns seen in Belltown and the Denny Triangle, and associated neighborhood characteristics towards a portion of the commercial core.

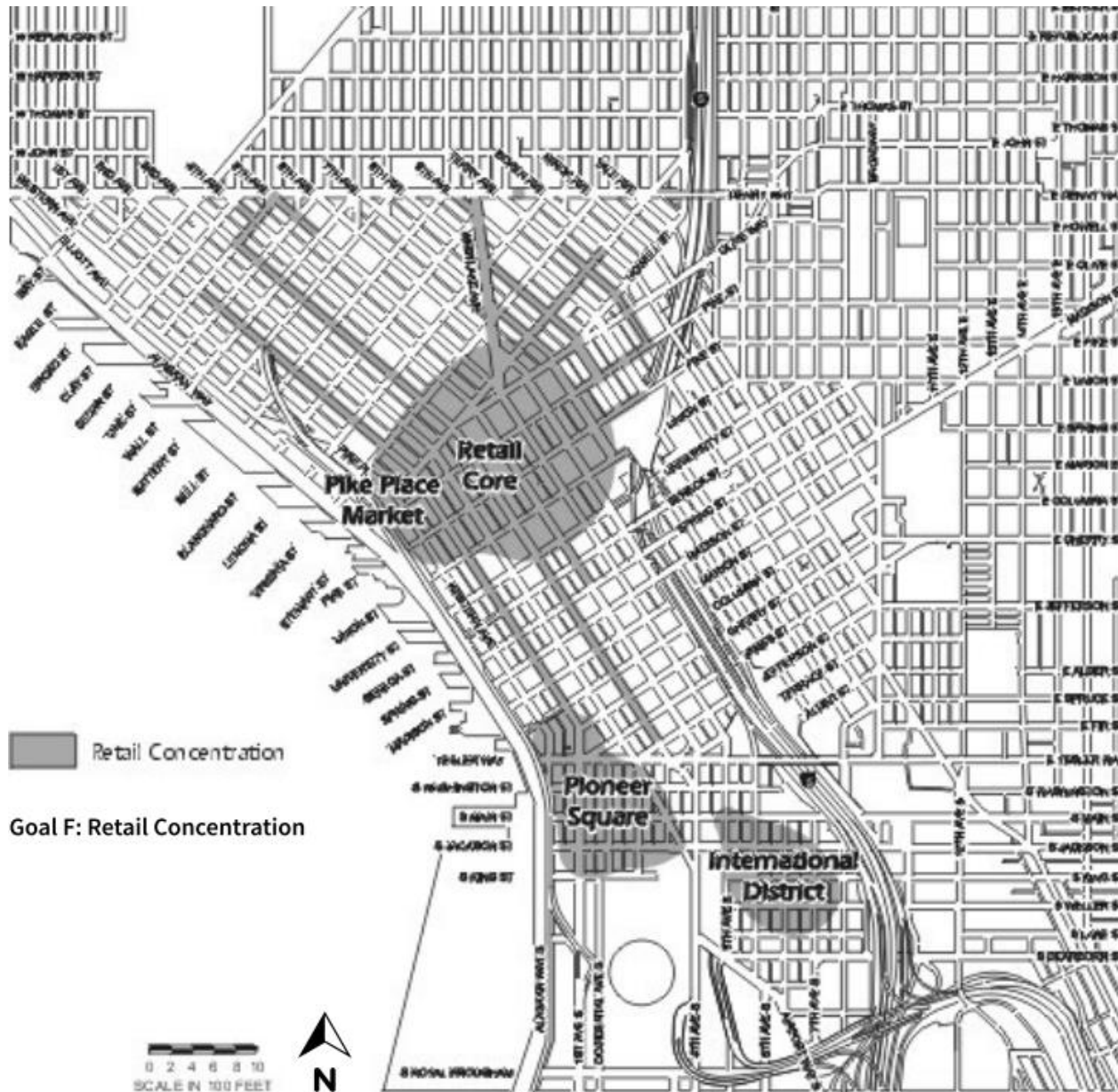


Figure 16 Retail concentration area

The map above is a figure from the Downtown Urban Center section of the Comprehensive Plan related to retail concentration. The plan identifies the retail core area including the DRC zone as a focus for concentration of retail activity.

Various Goal and Policy statements from the Plan relate to the proposed legislation. Particularly relevant goals and policies are listed below. Not every policy can be summarized or included in this report.

DT-G3 Strive to reinforce Downtown as a center of cultural and entertainment activities to foster the arts in the city, attract people to the area, create livable neighborhoods, and make Downtown an enjoyable place to be shared by all. Encourage facilities for artists to live and work in Downtown.

DT-G6 Reinforce the concentrated shopping function of the retail core; preserve the general form and scale of the area; and protect the area from high-density uses that conflict with the primary retail function. Other concentrations of retail activity should be encouraged where they already exist or where such uses are desirable to encourage an active pedestrian environment or focal point of neighborhood activity.

DT-G10 Seek to significantly expand housing opportunities in Downtown Seattle for people of all income levels, with the objectives of:

1. accommodating household growth;
2. preserving existing low-income units; and
3. 3. developing a significant supply of affordable housing opportunities in balance with the market resulting from the growth in Downtown employment. Allow housing in all areas of the Downtown Urban Center except over water and in industrial areas, where residential use conflicts with the primary function of these areas. Target public resources, requirements imposed on new development, and private development incentives to promote the amount and type of housing development necessary to achieve Downtown neighborhood housing goals. Address the need for affordable housing through a range of strategies including both incentive-based and non-incentive-based strategies.

DT-G12 Promote public safety by encouraging conditions that contribute to a safe and friendly urban environment including: maintaining streets and open spaces as active, well-designed public places; supporting twenty-four-hour activity in a manner that minimizes conflicts among different uses; accommodating a mix of people from all income, age, and social groups; and providing for needed human services within the limits of a neighborhood's capacity to support them.

DT-LUP2 Allow a wide range of uses Downtown, consistent with the goals to maintain Downtown's regional importance, create a strong residential community, improve the physical environment, and add activity and diversity to the areas of varied character. Restrict or prohibit uses that are not compatible with the desired character and function of specific areas.

COM-P3 Strive to maintain the neighborhood's historic, cultural, and visual resources.

COM-P8 Seek to improve the cleanliness and safety of streets and public spaces.

COM-P9 Seek to improve the pedestrian qualities of streets and public spaces.

The proposed legislation aims to better achieve the function of the Retail Core by continuing to support the main shopping center near Westlake, but also adding substantial housing and an improved pedestrian experience. Encouraging the potential for new investment as a part

of the Mayor's Downtown Activation Plan is a way to increase the vitality and livability. The addition of housing intended by this proposal directly relates to policies DT-G10 and G12.

Housing

Market Housing. OPCD estimates that the proposed legislation would produce 2 new residential tower structures in the rezone area in a 20 year timeframe (while acknowledging that differing conditions over the timeframe could result in as few as 0 and as many as 4 developments). A general estimation of 300-600 homes is suggested per development in consideration of the expected site sizes for the redevelopments. Therefore we suggest an estimated focus range of 600 – 1,200 homes, while acknowledging that a much wider plausible range of between 0 and 2,400 homes is possible. It is expected that the homes would be new market rate housing construction. Based on observations about rent and sales prices in other buildings nearby, we should assume that homes would generally be available to households at or above 100 percent of the Area Median Income (AMI). Depending on the goals of the development team it is likely that a portion of the homes would be at price points available to very high-income households.

Rent and Income Restricted Housing. The redevelopment would contribute to affordable housing through the City's Mandatory Housing Affordability (MHA) program. In the proposed DMC 240/290-440 zone the MHA contribution would be \$8.25 per sq. ft. of residential development, or reservation of 3.2 percent of the units as affordable to households at 60 percent AMI or below. Using the 600-1,200 homes estimated above we estimate a contribution of \$4.2 - \$8.4 M if developers elected the payment option or a contribution of 10-20 affordable homes if they elected the performance option.

The rezone area contains two existing non-profit owned affordable housing buildings that are subject to a rent and income restricted covenants. The Glen Hotel building located at 1413 3rd Ave. is owned by LIHI and contains approximately 30 single room occupancy sleeping rooms that was constructed in 1906. The Gilmore Apartments, built in 2002 are located at 1530 3rd Ave. and are owned by Bellweather housing and provide 65 affordable homes. According to Office of Housing regulations, buildings with affordable housing agreements can not be redeveloped unless the affordable housing is relocated in an equal or greater quantity elsewhere. The Gilmore Apartments are in good condition and unlikely to be affected by the rezone. If redevelopment is sought for the site containing the Glen Hotel it is anticipated based on input from the owner that the affordable homes could be relocated elsewhere and simultaneously upgraded to better and more modern conditions for the residents.

Vacant Retail Spaces

A reason for the proposed zone change is to encourage investment that could result in an increased residential presence in the area and upgrade the physical characteristics of ground level commercial spaces. This is proposed in part because vitality of the pedestrian and street level environment is currently lacking. To document this condition and to inform the geography of the proposed rezone OPCD performed a review of ground level commercial space vacancy based on direct observation and conversation with building owners. The map below shows the result, which found numerous entirely or partially vacant retail spaces in the Downtown Retail Core zone.



Figure 17 Vacant Retail space in the rezone area and the DRC zone context

Rezone Analysis

The City's municipal code requires a rezone analysis when changing from one zone to another. The analysis below evaluates the proposed DMC zone against the code's rezone criteria.

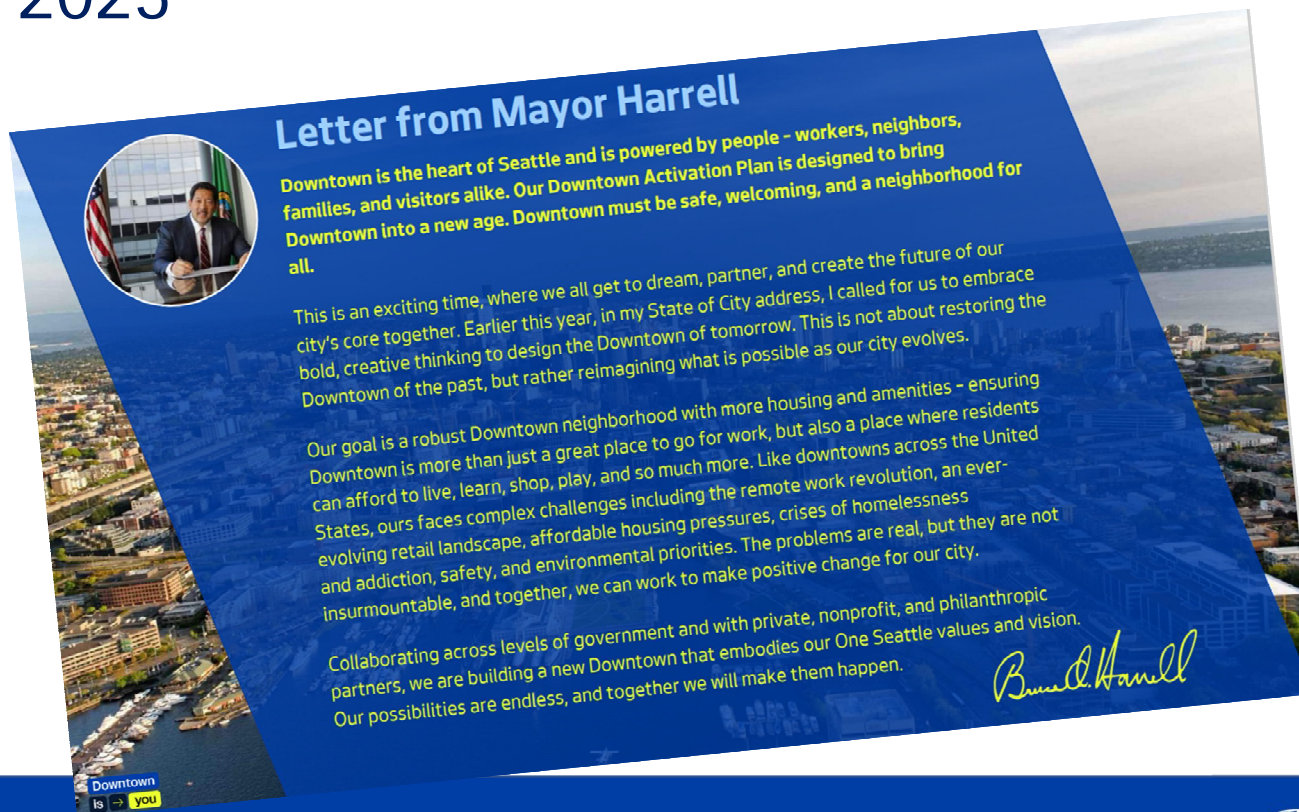
Zoned capacity	The proposed rezone area would not substantially alter the development capacity in the Downtown Urban Center as a whole such that it would exceed 125 percent of adopted growth estimates. Development capacity would exist in similar quantities with and without the rezone.
Match between zone criteria and area characteristics. Locational Criteria Analysis (Downtown Mixed Commercial zone)	
Function.	The area is characterized by lower scale office, retail and commercial uses related to activity in the office core, retail core or other moderate-scale commercial cores in the Downtown Urban Center, and with a use pattern that includes housing
Scale and Character of Development.	The rezone area is an area where buildings of moderate scale exist and the area is appropriate to provide a physical transition between more intensive commercial areas (DOC 1 to the south) and surrounding lower scale commercial, mixed use or residential districts (Pike Place Market area to the west).
Transportation and Infrastructure Capacity	The area is in the Downtown Urban Center having good accessibility to vehicular and transit systems in a degree similar to the Downtown office core. Transportation and other infrastructure capacities are capable of accommodating modest growth without major improvement.
Relationship to Surrounding Activity.	Due to changes in the vitality of the retail core including vacant stores, the area is now a place that provides for less intensive activity along the western and northern edges of the Downtown retail core and Downtown office core. It now functions as an area that provides a buffer to less intensive areas, such as the Harborfront, Pike Place Market, Belltown residential area.
Heights.	The height designation is compatible (the same as) the area immediately west of the proposed rezone and the height would

	provide a desired transitions compatible with adjacent commercial core area to the south.
Zoning history and precedential effect.	The DMC zone was established at the time of the last major downtown zoning update around 2006. The rezone could have implications for further future changes to the Downtown Retail Core zone, which is considered to be somewhat outdated pursuant to this proposed rezone. Further revaluations of the DRC zone are expected as a part of the upcoming Downtown Urban Center Plan update due by 2025.
Neighborhood Plans	The Downtown Neighborhood Plan was considered. See discussion above in the Comprehensive Plan section of this Director's Report concerning districts and neighborhoods in downtown.
Zoning Principles	
Impact of more intensive zones on less intensive zones	The proposed rezone would not make a worse impact of more intensive zones on less intensive zones. The area would serve as a buffer between the commercial core area and other lower scale areas in the vicinity.
Physical buffers	The boundary considers and maintains a transition at Westlake Park, which is a physical transition point.
Zone Boundaries	The proposed zone boundary follows platted lot lines and considers the existing quality of the built environment.
Commercial and Residential areas	The Downtown is a thoroughly mixed use environment.
Impact Evaluation and Service Capacities	See discussion in the SEPA checklist and Determination of Non-Significance and elsewhere in this Director's Report.
Changed Circumstances	Evidence of the changed circumstance of the reduced vibrancy of the downtown retail core as a shopping center is discussed elsewhere in this report.
Incentive Provisions	The City's MHA program applies and the DMC zone includes other incentive provisions for amenities in the zone standards.

Recommendation

In consideration of the factors and information contained in this report OPCD recommends that City Council review the proposed legislation and adopt the zone change and associated Land Use Code text amendments.

Legislative Items To Support Downtown Activation Plan Summer 2023



Letter from Mayor Harrell

Downtown is the heart of Seattle and is powered by people - workers, neighbors, families, and visitors alike. Our Downtown Activation Plan is designed to bring Downtown into a new age. Downtown must be safe, welcoming, and a neighborhood for all.

This is an exciting time, where we all get to dream, partner, and create the future of our city's core together. Earlier this year, in my State of City address, I called for us to embrace bold, creative thinking to design the Downtown of tomorrow. This is not about restoring the Downtown of the past, but rather reimagining what is possible as our city evolves.

Our goal is a robust Downtown neighborhood with more housing and amenities - ensuring Downtown is more than just a great place to go for work, but also a place where residents can afford to live, learn, shop, play, and so much more. Like downtowns across the United States, ours faces complex challenges including the remote work revolution, an ever-evolving retail landscape, affordable housing pressures, crises of homelessness and addiction, safety, and environmental priorities. The problems are real, but they are not insurmountable, and together, we can work to make positive change for our city.

Collaborating across levels of government and with private, nonprofit, and philanthropic partners, we are building a new Downtown that embodies our One Seattle values and vision. Our possibilities are endless, and together we will make them happen.

Bruce Harrell

Downtown is you

Potential or Proposed Near Term Legislation

- Downtown Retail Core zoning amendment (OPCD lead)
- Belltown lodging use flexibility (OPCD lead)
- Downtown digital kiosks (SDOT lead)
- Temporarily waive permit fees for vending and events (SDOT lead)
- Master Use Permit expiration modifications (SDCI lead)
- Facilitate Office-to-Residential Conversions legislation (OPCD and SDCI lead)
- Increased flexibility for ground level use regulations (SDCI lead)
- Design Review exemption for MHA performance (Council led and completed)



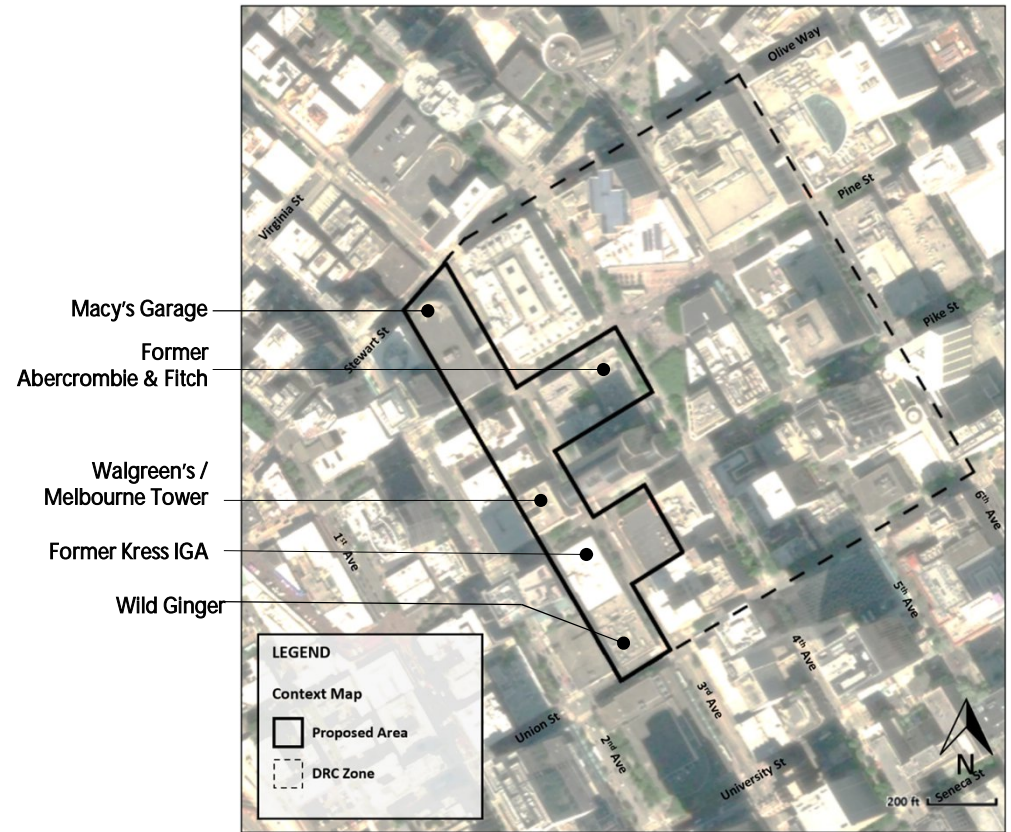
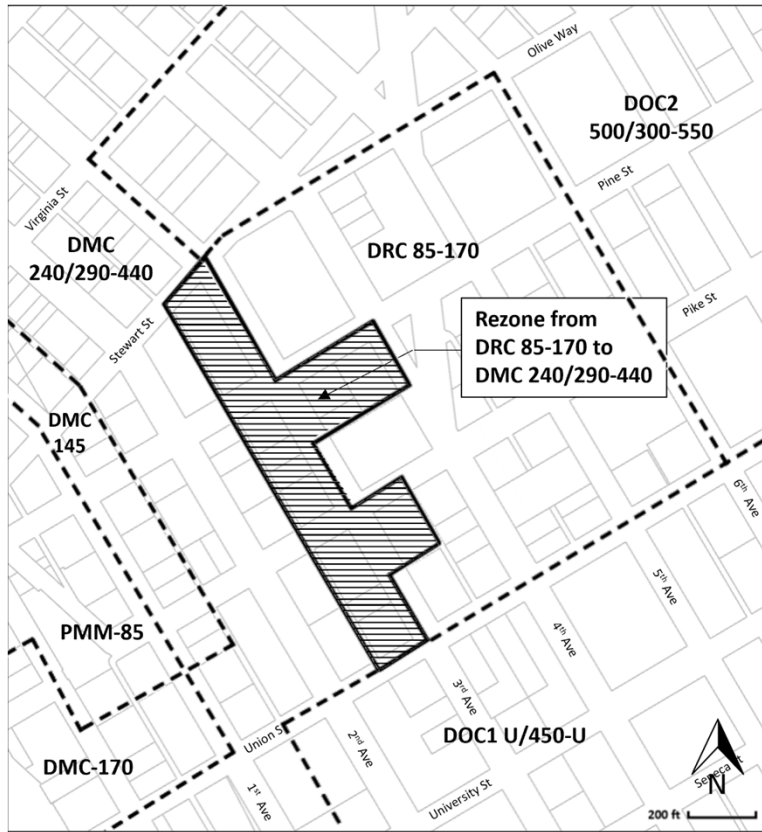
Downtown Retail Core zoning amendment

Rezone Parts of the Downton Retail Core Along 3rd Ave. to Encourage Residential Development

- The proposed rezone is from the Downtown Retail Core (DRC 85-170) zone to the Downtown Mixed Commercial (DMC 240/290-440).
- Amend the land use code to apply a 60' tower spacing requirement for the proposed rezone area
- Amend the land use code to amplify incentives for school facilities in downtown by allowing an increase in podium height from 65' to 85' and a corresponding 20' increase in allowed residential tower height



Downtown Retail Core zoning amendment



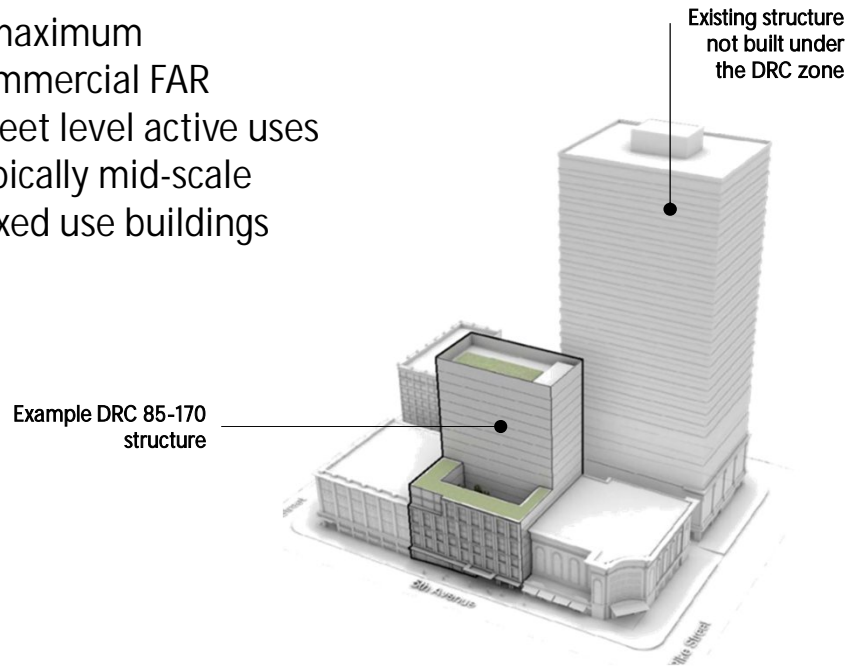
Downtown Retail Core zoning amendment - Purpose

- Encourage investment. The DRC zone has not supported significant new development while the DMC zone has had numerous residential towers built. The change would encourage largescale development on a few key sites. Upgrade the physical environment and disrupt unhealthy patterns of street level activity.
- Add Residential Density to Downtown. Hundreds of added residences would bring an activating presence to the local area and support downtown small businesses. Increasing residential use is a strategy to address softened commercial office markets downtown.
- Incentivize Possibility for a Downtown School. A downtown school is a policy goal for the City and partners. The legislation would strengthen existing code incentives for a major new development to include a custom built school.

Downtown Retail Core zoning amendment

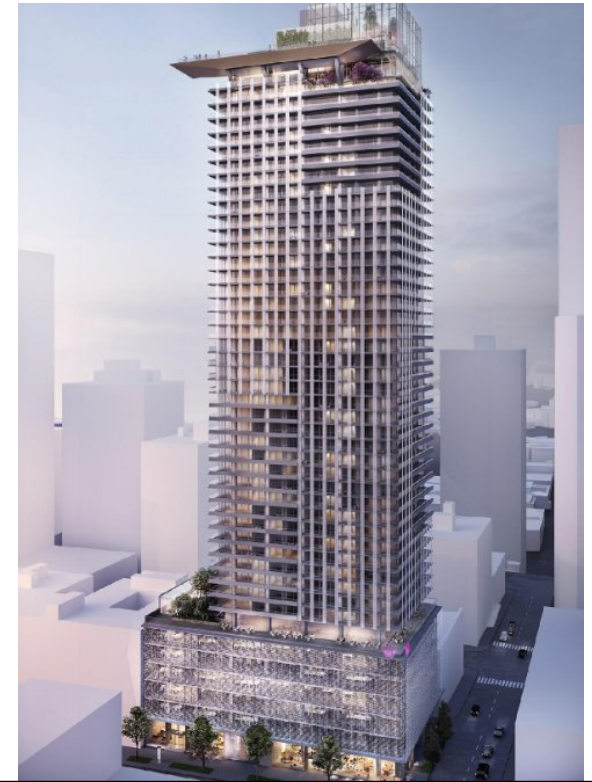
Existing DRC 85-170

- 170' maximum
- 6 maximum commercial FAR
- Street level active uses
- Typically mid-scale mixed use buildings



Proposed DMC 240/290-440

- 440' maximum
- 8 maximum commercial FAR
- Street level active uses
- Typically tall, slender floorplate residential towers.
- Examples in Belltown and Denny Triangle



September 8, 2023

MEMORANDUM

To: Land Use Committee
From: Lish Whitson, Analyst
Subject: Council Bill 120632: Downtown Retail Core Rezone

On Wednesday, September 13, the Land Use Committee (Committee) will hold a public hearing and receive a briefing on [Council Bill \(CB\) 120632](#), which would amend the Land Use Code (Seattle Municipal Code (SMC) Title 23) and rezone properties in the Downtown Retail Core to support “housing capacity and downtown activation.” The bill would rezone 11 parcels generally located along 3rd Avenue between Union Street and Stewart Street from the Downtown Retail Core 85-170 (DRC 85-170) zone to the Downtown Mixed Commercial 240/290-440 (DMC 240/290-440) zone. It would also amend the Land Use Code to (1) reduce required tower spacing from 200 feet to 60 feet in the DMC 240/290-440 zone and (2) for projects that include a school in the DMC 240/290-440, DMC 340/290-440 zones or Downtown Office Core (DOC) 2 500/300-550 zones, increase the allowed podium height and allow a ten percent height increase.

Accordint to the Office of Planning and Community Development (OPCD) [Director’s Report](#) on the legislation, the proposal is intended to:

- Increase the livability and vitality of blocks that are centrally located within Downtown.
- Increase residential units within the center of downtown to draw more tenants and activate the street level retail and bring more live, work, play environment.
- Encourage new investment that can upgrade the physical environment to better address current conditions.

This legislation is one strategy of Mayor Harrell’s Downtown Activation Plan, which includes a variety of initiatives to improve Downtown Seattle, including the following legislative actions:

- Making zoning changes to facilitate office-to-residential conversion;
- Supporting food businesses by waiving fees for food trucks and carts;
- Extending the term of Master Use Permits (MUP);
- Expanding the uses permitted at street-level downtown;
- Allowing hotels in Belltown to be exempt from floor area ratio limits;
- Providing flexibility for temporary uses; and
- Increasing the budget for the Metropolitan Improvement District’s cleaning, safety, and hospitality services.

This memorandum discusses the Downtown Retail Core, the proposed new zoning, and issues the bill raises.

Downtown Retail Core (DRC) Zone

The Downtown Retail Core currently extends from 3rd Avenue on the west to 6th Avenue between Union Street and Olive Way/Stewart Street. It is the area with the highest concentration of large retail businesses in Downtown Seattle, grounded by two historic department stores and two shopping malls, all of which have entrances onto Pine Street. Aside from these few full block or almost-full-block developments, most of the area is divided into relatively small parcels, each with large ground floor retail spaces. The area has a number of other historic and architecturally distinctive buildings, many dating to the 1920s.

The Comprehensive Plan states that the intent of the district is:

Downtown RETAIL CORE (DRC)

[The] Area containing the major department stores and having the greatest concentration of Downtown's retail activity. The DRC land use district is intended to:

- provide the principal center of shopping for both Downtown and the region;
- allow uses other than retail with the general intent that they augment but do not detract from this primary function, and promote housing in the area to complement its principal retail function; and
- maintain an active and pleasant street-level environment through development standards specifically tailored to the unique function and character of this area.

The City's success at meeting these goals has fluctuated over the years. When the first Comprehensive Plan was adopted in the mid-1990s, the retail core was at a relative low point with large vacant department stores. The development of the Pacific Place mall and the relocation of Nordstrom into the former Frederick & Nelson department store helped to spur a resurgence of activity and investment in the area. Due to the shift towards on-line shopping that was accelerated by the COVID emergency, the DRC zone, along with retail districts around the country, has faced difficulties. Currently, there are a number of vacant storefronts in the zone. There are also notable businesses that have moved into the area since 2020, such as the Uniqlo Store in the former Macy's/Bon Marché department store building and the Ben Bridge Flagship at 5th and Pine.

The DRC zoning includes a number of provisions that are intended to support the desired character of the area. These include:

- Floor area ratio (FAR) exemptions for the development of major retail stores between 80,000 and 200,000 square feet in size and shopping atria;
- Uniform minimum façade heights of 35 feet;
- Requirements that building facades be located within two feet of the adjacent sidewalk;
- Façade transparency requirements for 60 percent of the street facing facades, with blank façade segments limited to 15 feet in width; and
- Setback requirements for portions of buildings over 85 feet high.

Non-residential projects are permitted up to 85 feet, and projects with residential uses are permitted up to 170 feet. A base FAR limit of three applies to most uses,¹ with development up to six FAR permitted through participation in incentive zoning programs that encourage (1) the provision of funding for affordable housing and childcare, (2) transfers of development rights or potential from landmarks or affordable housing projects, and (3) delivery of public amenities that support the retail character of the area, such as shopping corridors or public restrooms. Mandatory Housing Affordability (MHA) payments are currently required for development at \$18.23 per square foot for commercial uses and \$13.22 per square foot for residential uses. Developers who choose to participate in the MHA program through provision of affordable housing on site are required to provide 3.9 percent of units as affordable housing.

The DRC zone area includes a number of buildings, including five out of the eleven buildings subject to the rezone, that the Land Use Code identifies as “significant to the architecture, history, and character of Downtown.” (Seattle Municipal Code [23.49.008.A.6.a](#))² The code requires that the facades of those buildings be incorporated into future development on the site if any proposed development is taller than 85 feet.

Downtown Mixed Commercial (DMC) zone

The DMC zone is intended to provide transitions between the denser DOC zones and the retail core and other lower-density parts of Downtown Seattle. The DMC 240/290-440 zone runs generally north-south, extending from Battery Street and 7th Avenue to 1st Avenue and Madison Street. It separates the DOC 1 and DOC 2 zones from the Pike Place Market, the residential zones in Belltown, and the waterfront. It is located west and north of the DRC zone.

The DMC 240/290-440 zone allows non-residential development up to 240 feet, and projects that include residential uses up to 290 feet. Projects with residential uses that participate in the affordable housing bonus program are permitted up to 440 feet. Non-residential projects in the DMC 240/290-440 zone have a base FAR of five and a maximum FAR of eight. The maximum FAR is available for projects that participate in incentive zoning programs. As with the DRC zone, there is no FAR limit on residential uses. In addition to the incentives available in the DRC zone, projects in the DMC 240/290-440 zone may provide parcel parks in order to achieve increased floor area. In the DMC zone, the first 0.25 FAR above the base must be acquired through a regional transfer of development rights program.

¹ All residential uses, childcare centers, human service uses, museums, performing arts theaters, and public restrooms are exempt from FAR limits in Downtown zones. In addition, some uses, such as public facilities, are exempt from FAR limits up to a certain size.

² Of those five buildings, three have been designated landmarks: the Mann Building (Wild Ginger/Triple Door) at the northwest corner of 3rd Avenue and Union Street, the Olympic Tower at the southwest corner of 3rd Avenue and Pine Street, and the Fisher Studio Building, just south of the Olympic Tower on 3rd Avenue between Pike and Pine streets. The other two buildings identified in the code as having significant character are the former Woolworths Building/Ross Dress for Less at the southeast corner of 3rd Avenue and Pike Street, and the Mann Building on the northwest corner of 3rd Avenue and Pine Street.

Other differences between the zones are tower floor area limits for residential floors above the base height, maximum building widths, and lower minimum façade heights in the DMC 240/290-440 zone compared to the DRC zone. Finally, in the portion of the DMC 240/290-440 zone west of 3rd Avenue between Union Street and Seneca Street, there is a requirement that towers be spaced at least 200 feet apart. There is no tower spacing requirement in the DRC zone.

MHA requirements in the DMC 240/290-440 zone are lower than the requirements in the DRC zone. MHA payments are currently required at \$13.50 a square foot for commercial uses and \$10.90 square foot for residential uses. Developers who choose to participate in the MHA program through provision of affordable housing on site are required to provide 3.9 percent of units as affordable housing.

Other aspects of the zones are the same. For example, both zones include the same requirements for active street-level uses. The same sets of uses are permitted or prohibited in the two zones. Development standards at street level are generally the same and should result in the same types of heavily-retail oriented land uses at street level.

Council Bill 120632

CB 120632 would rezone property on the west side of 3rd Avenue between Union Street and Stewart Street, and a few parcels east of 3rd Avenue on the south sides of Pine and Pike Streets to DMC 240/290-440. The effect of the rezone would be to allow significantly larger buildings on the parcels to be rezoned. Maximum heights would increase from 170 feet to 440 feet, and maximum FARs would increase from six to eight.

MHA dollar amounts and percentage of units would be reduced, but projects would likely be larger, and in particular residential projects could be much larger, and would therefore possibly contribute more toward affordable housing through MHA. However, this would not always be the case. For example, a project on the southwest corner of 4th Avenue and Pine Street, a 20,068 square foot lot, could include up to 120,408 square feet of office space under the current zoning and 160,544 square feet of office space under the proposed zoning. The DRC project would have MHA fees equivalent to approximately \$2.195 million. The DMC project would have MHA fees equivalent to approximately \$2.167 million.

The change from DRC to DMC would also eliminate the major retail store incentives and the façade preservation requirements that are part of the DRC zone.

CB 120632 also includes some text amendments. These amendments would:

- Update the list of buildings in the DRC zone with facades that would need to be incorporated into a future development to (1) reflect the properties being taken out of the DRC zone; and (2) update the names and addresses of properties remaining in the DRC zone.³
- Allowing taller podium heights and providing a 10 percent height increase for a project that includes an elementary or secondary school in three zones: DMC 240/290-440, DMC 340/290-440 and DOC2 500/300-550. The DOC2 zone is predominantly located in the Denny Triangle north of the Retail core. The DMC 340/290-440 zone is located north and east of the DOC 2 zone and south of the DOC 1 zone which makes up Downtown’s commercial core, including the King County Courthouse.
- Reducing the tower spacing requirements from 200 feet to 60 feet in the area west of 3rd Avenue between Stewart Street and Union Street. This would apply to areas west of 3rd Avenue that are not being rezoned.

Issues for Committee consideration

Properties not likely to redevelop under the proposed zoning

The proposed legislation would rezone only eleven properties. Most of those properties are relatively small lots, less than 20,000 square feet, and almost half are either owned by non-profit affordable housing agencies or are designated City landmarks and are less likely to be redeveloped. The rezone is likely to increase the property values and property tax rates for all properties in the rezone area, including those properties that are not likely to be redeveloped. The Committee should consider whether some of these properties should be removed from the rezone area.

Impact of the proposal on the street environment

According to the OPCD [Director’s Report](#), one of the stated goals of the rezone is to encourage “significant construction activity” in order to “disrupt patterns of street disorder and illicit activity.” The report is hopeful that construction activity will block negative activity in the area for one to two years.

This area is a prime pedestrian corridor and one of the most significant transit hubs in the entire city. Closing sidewalks for construction will have a significant impact on both shoppers and transit riders intending to travel to and through this part of Downtown. Those impacts will be most felt by people who rely on 3rd Avenue buses to meet their daily needs. Bus riders are disproportionately people with disabilities, with low incomes, and BIPOC residents.⁴ The Council should carefully consider the trade-offs and impacts of a strategy that is intended to

³ For example, the building included on the list as the “Equitable Building” at 1415 4th Avenue, is better known today as the MiKen Building or the Holland Building and currently has an address at 1417 4th Avenue.

⁴ King County Metro Transit 2021 Rider and Non-Rider Survey ([2021-rider-non-rider-survey-final.pdf \(kingcounty.gov\)](#)), page 21

disrupt pedestrian activity at a location where the City is trying to encourage pedestrian activity and transit use. Putting impediments in the way of people walking through the area for shopping and commuting may result in even less foot traffic in the area during construction, further exacerbating safety issues if not carefully managed.

Preservation of significant building facades

As the code points out, the area to be rezoned has significant architectural and historic character. Five of the buildings in the area to be rezoned have facades that previous councils deemed worthy of preservation. The Committee could amend Section 23.49.008.A.6 to require façade preservation under the DMC 240/290-440 zone, as well as under the existing zoning.

Technical amendment

There is one technical amendment the Committee should make if does want to recommend passage of the bill. The Downtown Chapter of the SMC includes a Map 1A that shows “Downtown Zones and South Downtown Boundary.” That map should be updated to reflect the changes to the DRC boundaries included in the bill.

Next Steps

The Committee is scheduled to hold a public hearing on September 13, and may consider the bill at a special meeting scheduled for September 18. If the Committee votes on the bill on September 18, it could be considered by the City Council meeting as early as September 26.

Attachments:

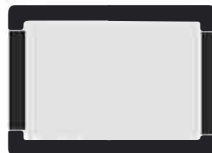
1. Map 1A

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

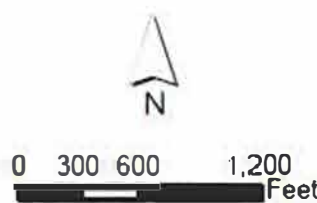
Downtown Zones and South Downtown Boundary



 Area rezoned from Downtown Retail Core to Downtown Mixed Commercial



South Downtown Zones in South Downtown are identified on the Official Land Use Map, Chapter 23.32



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Downtown zoning

Map 1A

Downtown Zones and South Downtown Boundary



Legislation Text

File #: CB 120622, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to vacant building monitoring and nuisance abatement; amending Sections 22.204.030 and 22.206.200 of the Seattle Municipal Code.

WHEREAS, between 2017 and 2019 the City reviewed and modified its vacant building monitoring program to

help prevent neighborhood blight, nuisance, and public safety hazards; and

WHEREAS, the modified program requires monthly monitoring of vacant buildings and charges fees for

monitoring and any required closure and cleanup service; and

WHEREAS, the vacant building monitoring program is designed to be self-supporting, based on fee collection;

and

WHEREAS, monthly monitoring helps keep sites closed to entry from unauthorized persons and helps keep the

premises clear of junk and garbage; and

WHEREAS, follow-up visits and further action after closing and clearing vacant buildings are frequently

needed; and

WHEREAS, vacant buildings that are occupied by trespassers or that have had fires can be dangerous to entry

for firefighters and other public safety officers; and

WHEREAS, complaints about vacant buildings that are open to entry, marred by graffiti, or subject to illegal

dumping of trash and junk remain high, at over 700 per year; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 22.204.030 of the Seattle Municipal Code, enacted by Ordinance 113545, is amended

as follows:

22.204.030 “B”

* * *

I. Building, Vacated. “Vacated building” means a building that is unoccupied and is not used as a legal place of residence or business. At the discretion of the Director, a portion of a vacated building may be occupied if the occupied portion meets the standards for habitable buildings specified in this Code and the vacated and closed portion complies with the standards for vacant buildings in Section 22.206.200.

Section 2. Section 22.206.200 of the Seattle Municipal Code, last amended by Ordinance 125811, is amended as follows:

22.206.200 Minimum standards for vacant buildings

A. Maintenance standards. Every vacant building shall conform to the standards of Sections 22.206.060 and 22.206.070 and subsections 22.206.080.A, 22.206.080.B, 22.206.080.C, 22.206.080.G, 22.206.080.H, ((and)) 22.206.080.I, ((§)) 22.206.130.I, ((§)) 22.206.160.A.1, 22.206.160.A.3, 22.206.160.A.4, 22.206.160.A.5, 22.206.160.A.6, and 22.206.160.A.8, except when different standards are imposed by this Section 22.206.200.

1. Sanitary facilities

a. Plumbing fixtures connected to an approved water system, an approved sewage system, or an approved natural gas utility system shall be installed in accordance with applicable codes and be maintained in sound condition and good repair.

b. Plumbing fixtures connected to an approved water system, an approved sewage system, or an approved natural gas utility system, not installed or maintained in compliance with applicable codes, shall be removed and the service terminated in the manner prescribed by applicable codes.

c. Plumbing fixtures not connected to an approved water system, an approved sewage system, or an approved natural gas utility system shall either be connected to an approved system or the fixtures shall be removed and the pipes capped in accordance with applicable codes.

2. Electrical systems. Electrical service lines, wiring, outlets, or fixtures not installed or maintained in accordance with applicable codes shall be repaired, or they shall be removed and the services terminated in accordance with applicable codes.

3. Safety from fire

a. No vacant building or premises or portion thereof shall be used for the storage of flammable liquids or other materials that constitute a safety or fire hazard.

b. Heating facilities or heating equipment in vacant buildings shall be removed, rendered inoperable, or maintained in accordance with applicable codes. Any fuel supply shall be removed or terminated in accordance with applicable codes.

4. All vacant buildings and their accessory structures shall meet the following standards:

a. All windows shall have intact glazing or one of the following:

1) plywood of at least ~~((1/2))~~ 3/4-inch thickness, painted or treated to protect it from the elements, cut to fit the opening, and securely glued and fastened with square- or star-headed woodscrews spaced not more than 9 inches on center;

2) impact resistant clear polycarbonate sheets;

3) commercial-quality steel security panels; or

4) other materials approved by the Director as appropriate for preventing entry by unauthorized persons.

b. Doors and service openings with thresholds located 10 feet or less above grade, or stairways, landings, ramps, porches, roofs, or similarly accessible areas shall provide resistance to entry equivalent to or greater than that of a closed ~~((single-panel or hollow))~~ solid core door 1-3/8 inches thick equipped with a ~~((1/2))~~ 1-inch throw deadbolt. Exterior doors, if openable, may be closed from the interior of the building by toe nailing them to the door frame using 10D or 16D galvanized nails.

c. There shall be at least one operable door into each building and into each housing unit.

If an existing door is operable, it may be used and secured with a suitable lock such as a hasp and padlock or a ((1/2)) 1-inch deadbolt or deadlatch. All locks shall be kept locked. When a door cannot be made operable, a door shall be constructed of 3/4-inch CDX plywood or other comparable material approved by the Director and equipped with a lock as described above.

d. All debris, combustible materials including vegetation overgrowth, litter and garbage, junk, waste, used or salvageable materials, and inoperable vehicles and vehicle parts ((7)) shall be removed from vacant buildings, their accessory structures, and the premises including but not limited to adjoining yard areas. The building and premises shall be maintained free from such items. The premises also shall be free from parked vehicles.

e. The vacant buildings, their accessory structures, and the premises shall be kept free of graffiti. For the purposes of this section “graffiti” shall have the same definition as in subsection 10.07.010.C.

((e)) f. The Director may impose additional requirements for the closure of a vacant building, including but not limited to installation of ((3/4 inch plywood)) polycarbonate sheet, brick, or metal coverings over exterior openings, when the standards specified in subsections 22.206.200.A.4.a through 22.206.200.A.4.d above are inadequate to secure the building:

- 1) Due to the design of the structure;
- 2) When the structure has been subject to two or more unauthorized entries after closure pursuant to the standards specified above; or
- 3) When the Director determines, in consultation with the Seattle Police Department and the Seattle Fire Department, that the structure may present a substantial risk to the health or safety of the public, or to police or fire personnel if closed to the standards of subsections 22.206.200.A.4.a through 22.206.200.A.4.d above.

5. If a building component of a vacant building or a structure accessory to a vacant building does not meet the standards of Section 22.206.060, the component or a portion thereof may be removed in

accordance with applicable codes, provided the Director determines that the removal does not create a hazardous condition.

6. Interior floor, wall, and ceiling coverings in vacant structures need not be intact so long as the Director determines they do not present a hazard. If a hole in a floor presents a hazard, the hole shall be covered with 3/4-inch plywood, or a material of equivalent strength, cut to overlap the hole on all sides by at least 6 inches. If a hole in a wall presents a hazard, the hole shall be covered with 1/2-inch Type X gypsum, or a material of equivalent strength, cut to overlap the hole on all sides by at least 6 inches. Covers for both floor and wall holes shall be securely attached.

* * *

F. Inspection and monitoring of vacant buildings

1. When the Director has reason to believe that a building is vacant, the Director may inspect the building and the premises. If the Director identifies a violation of the minimum standards for vacant buildings, a notice of violation may be issued pursuant to Section 22.206.220. Thereafter the premises shall be inspected monthly to determine whether the building and its accessory structures are vacant, ~~((and))~~ closed to entry, and in conformance with the maintenance standards of this Code.

2. The Director shall inspect and monitor, monthly, vacant buildings and any structures accessory thereto:

a. When a notice of violation has been issued for violating this Section 22.206.200; ~~((and the violation is not fully remedied by the compliance date established in the notice of violation, or the violation is fully remedied by the compliance date but a subsequent violation of this Section 22.206.200 is documented within 365 days from the date the first notice of violations was issued and is communicated to the building owner in writing;))~~

b. That are located on a lot for which there is a Master Use Permit or Building Permit application for new development; or

c. That are ~~((included on a list, maintained))~~ referred to the Director by the Seattle Fire Department or the Seattle Police Department ~~((, of vacant buildings that have generated calls for dispatch))~~ after generating a call for dispatch.

3. Monthly inspections and monitoring shall cease at the earliest of the following:

a. When the building is repaired pursuant to the requirements of this Code and reoccupied;

b. When the building meets the maintenance requirements of this Code for three consecutive inspections without violation; or

c. When the building and any accessory structures have been demolished.

4. A building or structure accessory thereto that remains vacant and open to entry after the closure date in a Director's order or notice of violation is found and declared to be a public nuisance. The Director is hereby authorized to summarily ~~((close))~~ abate the public nuisance by closing the building to unauthorized entry. The costs of ~~((closure))~~ abatement shall be collected from the owner in ~~((the))~~ any manner provided by law, including through a special assessment under RCW 35.21.955 against the property filed as a lien with the King County Recorder.

5. A premises that contains a vacant building or accessory structure that fails to comply with subsection 22.206.200.A.4 after the compliance date in a Director's order or notice of violation is found and declared to be a public nuisance. The Director is hereby authorized to summarily abate the public nuisance by removing all debris, combustible materials including vegetation overgrowth, litter and garbage, junk, waste, used or salvageable materials, and inoperable vehicles and vehicle parts ~~((;))~~ from the vacant building, accessory structures, and the premises including but not limited to adjoining yard areas. The costs of abatement shall be collected from the owner in ~~((the))~~ any manner provided by law, including through a special assessment under RCW 35.21.955 against the property filed as a lien with the King County Recorder.

6. Monthly inspection and monitoring charges shall be assessed and collected as a fee under the

Permit Fee Ordinance (Chapters 22.900A through ((22.900G)) 22.900H). These fees shall be a cost of abatement and shall be collected from the owner in any manner provided by law, including through a special assessment under RCW 35.21.955 against the property filed as a lien with the King County Recorder.

7. The property owner and any identifiable mortgage holder shall be notified in the manner required by RCW 35.21.955 prior to the filing of a lien that the costs of abatement and associated fees may be assessed against the property as authorized by RCW 35.21.955.

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
SDCI	Quinn Majeski	Christie Parker

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to vacant building monitoring and nuisance abatement; amending Sections 22.204.030 and 22.206.200 of the Seattle Municipal Code.

Summary and Background of the Legislation:

The legislation amends the standards for maintenance and monitoring of vacant buildings in the Housing and Building Maintenance Code (HBMC). The legislation is intended to respond to an increase in the public nuisance and health and safety risks associated with vacant structures by raising standards and improving the effectiveness of vacant building monitoring.

The legislation strengthens minimum standards for materials used to secure vacant buildings from entry and requires vacant buildings to be kept free of graffiti. It also requires any building that receives a notice of violation to enter the vacant building monitoring program, rather than only those buildings which fail to correct a notice of violation by the compliance deadline. The legislation removes the requirement for police and fire to maintain a registry of properties that have generated calls for dispatch in order to refer them to SDCI for vacant building monitoring. The legislation provides SDCI with the authority to file a property lien to collect unpaid fees and charges assessed under the vacant building monitoring program. The bill also clarifies the definition of “vacated building”.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
SDCI has identified several potential but indeterminate cost and revenue impacts from adopting this legislation. Requiring any building that receives a notice of violation to enter the vacant building monitoring program is likely to result in an increase in the number of properties being enrolled in monitoring. Increased material standards and new graffiti requirements aim to reduce unlawful entries and targeting, which would reduce the number of buildings in the monitoring program. However, it may also result in additional properties failing to pass inspections, resulting in additional months on monitoring.

A net increase in the number of properties enrolled in monitoring and/or the number of months enrolled in monitoring would increase the total fee revenue associated with the program. While not anticipated, if the volume exceeds the capacity of SDCI’s existing team of inspectors, there would be additional labor costs to adequately staff the program.

The ability to file a property lien for unpaid charges and fees is intended to reduce delinquency and nonpayment related to the monitoring program, which would also result in additional revenue.

Are there financial costs or other impacts of *not* implementing the legislation?

The vacant building monitoring program is currently operating at a deficit. Reducing delinquency and nonpayment of fees using lien authority is an important component in improving the overall financial sustainability of the program. A fee increase may also need to be considered.

3.a. Appropriations

 This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

 X This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from This Legislation:

Fund Name and Number	Dept	Revenue Source	2023 Revenue	2024 Estimated Revenue
			TBD	TBD
TOTAL			TBD	TBD

Revenue/Reimbursement Notes:

As outlined above, SDCI expects that the authority to file property liens would likely add an indeterminate amount of revenue. The authority to file a property lien directly without having to secure a court order offers a more effective and expeditious route for collecting unpaid fees and abatement costs. While the maximum amount that can be collected as part of a tax lien is \$2,000, that often represents a sizeable portion of unpaid fees. Imposing or threatening to impose a lien may also result in greater voluntary compliance and full payment. While there are too many variables to make a confident estimate, it is likely that this policy change would result in additional revenue.

3.c. Positions

___ This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

No

b. Is a public hearing required for this legislation?

No

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

d. Does this legislation affect a piece of property?

While the legislation concerns the maintenance and security of vacant buildings, it does not affect a specific piece of property.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The legislation is intended to improve vacant building safety and security through changes to the vacant building monitoring program. Vacant buildings are typically distributed throughout the city but can become concentrated in areas undergoing redevelopment or areas with buildings in foreclosure. Property owners have an obligation to maintain vacant buildings.

The legislation could result in additional cost to the owners of vacant buildings if they fail to properly secure their property to the new standards proposed. Higher costs would have a greater impact on lower-income property owners, which can include members of historically disadvantaged communities. However, 74 percent of vacant building cases are properties that are going through redevelopment, which generally do not constitute lower-income property owners.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

This legislation does not impact climate change resiliency.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

This legislation does not include a new initiative or major programmatic expansion.

Director's Report and Recommendations

Vacant Building Ordinance

June 2023

Proposal Summary

The Department of Construction and Inspections (SDCI) is recommending amendments to the standards for maintenance and monitoring of vacant buildings in the Housing and Building Maintenance Code (HBMC). The proposal responds to an increase in the public nuisance and health and safety risks associated with vacant structures by raising standards and improving the effectiveness of vacant building monitoring.

The proposed legislation would:

- Strengthen the standards for securing vacant buildings by requiring solid core doors, stronger throw deadbolts, and, in some cases, polycarbonate sheets rather than plywood.
- Require vacant buildings to be kept free of graffiti.
- Require any building that receives a notice of violation to enter the vacant building monitoring program, rather than just those buildings that fail to correct a notice of violation by the compliance deadline.
- Simplify the process for Police and Fire referrals to vacant building monitoring.
- Authorize the department to file a property lien to collect unpaid vacant building monitoring fees and abatement costs.

Background

Buildings are often left unoccupied when a property owner is preparing for sale or redevelopment, following a fire or other serious damage, during probate, or while administrative or legal issues get resolved. The Housing and Building Maintenance Code requires that vacant buildings must be secured and maintained to prevent unauthorized entry and be kept free of junk and overgrown vegetation. Properties that fail to meet these standards after receiving a notice of violation, those with development applications, and dangerous buildings reported by SPD or SFD are placed onto SDCI's vacant building monitoring program.

Vacant buildings on the monitoring program are inspected monthly for compliance with building safety and maintenance standards. Approximately 75 percent of properties enrolled in vacant building monitoring are going through the redevelopment process; other buildings are monitored based on referrals from Police or Fire, or after SDCI receives complaints from neighbors. Monthly inspection fees are lower for buildings that are well maintained and highest for buildings that are open to entry and have become dumping grounds for garbage and junk. Property owners pay fees ranging from \$296.75 to \$592.30 depending on whether the building is secured without violations, secured with violations, or unsecured. Monitoring ends after three consecutive inspections without a violation.

Emerging from the pandemic, SDCI has seen an increase in vacant building monitoring activity. While the number of inspections with no violations has remained largely constant, the number of unsecured vacant buildings rose from 281 to 396 (41 percent increase) and the number of vacant buildings secured with safety or maintenance violations increased from 480 to 753 (57 percent increase) between 2021 and 2022. If current trends continue, violations are on pace to exceed last year's numbers in 2023.

Despite an increase in the number of inspections and violations, fee collection rates have fallen steadily from 57 percent in 2019 - the year that the monitoring program began - to about 37 percent in 2022. While some of this can be attributed to departmental leniency during the pandemic and delays between the issuance of an invoice and collection of fees, the majority appear to be simple non-payment. The City's current process for collecting unpaid fees and charges utilizes a collection agency, which returns very little to the Department, or requires pursuing and obtaining a court order, which is both time-consuming and resource intensive. Because the monitoring program is largely fee supported, nonpayment represents a financial risk to the program.

Proposal and Analysis

The proposed amendments to the Housing and Building Maintenance Code are intended to improve vacant building security and safety and the operational effectiveness of the vacant building monitoring program. The table below summarizes which sections would be amended, the nature of the amendment, and the purpose for the change:

Summary of Proposed Amendments by SMC Section

SMC	Change	Purpose
22.206.200.A.4	Amends the standards for securing vacant buildings to require solid core doors rather than single panel or hollow and 1-inch rather than ½ inch throw deadbolts. Allows the department to require polycarbonate sheets rather than plywood if the Director determines it is necessary to secure the building.	Solid core doors and 1-inch deadbolts are typical for new construction and are more secure against entry. Polycarbonate sheets are more difficult to remove than plywood and provide greater visibility to first responders in the event of an emergency on the premises.
22.206.200.A.4	Adds a new requirement that vacant buildings must be kept free of graffiti.	Reducing graffiti is a Mayoral priority. Minimizing the visibility of vacant buildings can reduce the likelihood of future unlawful entry and deterioration.
22.206.200.F.2	Amends the criteria for a building to be enrolled in the vacant building monitoring program to any notice of violation, rather than a notice of violation that is not corrected by the compliance deadline, or two notices of violation within a twelve-month period.	A vacant building with a violation, even if corrected, often experiences additional vacant building activity. This change removes the onus from the surrounding neighborhood to continually report problems.
22.206.200.F.2	Removes the requirement that Police and Fire maintain a list of properties that have generated calls for dispatch in order to refer them SDCI for vacant building monitoring.	Facilitate greater interdepartmental coordination by allowing SFD and SPD to directly report dangerous buildings without the administrative burden of maintaining a list.

SMC	Change	Purpose
22.206.200.F	Authorizes SDCI to collect vacant building monitoring fees and abatement costs through a special assessment under RCW 39.21.955 against the property filed as a lien with the King County Department of Records and Elections; provides requirements for how property owners and identifiable mortgage holders must be notified consistent with state law.	A property lien, or even the threat of a lien encourages more timely voluntary compliance.
22.206.030.I and 22.206.200	Various clarifications and technical corrections.	Improve the clarity and legibility of the code.

Comprehensive Plan Consistency

The proposal is consistent with relevant goals and policies in the Seattle 2035 Comprehensive Plan, including:

- H 2.4 “Encourage use of vacant or underdeveloped land for housing and mixed-use development, and promote turning vacant housing back into safe places to live.”*

- H 4.1 Provide programs, regulations, and enforcement to help ensure that all housing is healthy and safe and meets basic housing-maintenance requirements.*

Recommendation

SDCI recommends adoption of the proposed legislation to strengthen vacant building safety and security and improve the vacant building monitoring program.

Vacant Building Ordinance

Photo by John Skelton



Seattle Department of
Construction & Inspections

Land Use Committee
September 13, 2023

SDCI PURPOSE AND VALUES

Our Purpose

Helping people build a safe, livable, and inclusive Seattle.

Our Values

- Equity
- Respect
- Quality
- Integrity
- Service

BACKGROUND

- The Housing and Building Maintenance Code requires vacant buildings to be secured against unauthorized entry and be free of junk and overgrown vegetation. In 2019, Council approved legislation establishing the Vacant Building Monitoring (VBM) program to help ensure compliance.
- Properties that fail to meet vacant building standards, those with development applications, and dangerous buildings reported by SPD or SFD are placed onto SDCI's VBM program.
- Properties enrolled in the VBM are inspected monthly for compliance with building safety and maintenance standards. Monitoring ends after three consecutive inspections without a violation.



WHY CHANGE IS NEEDED

SDCI has seen an increase in vacant building activity

- 41% increase in unsecured vacant buildings from 2021 to 2022
- 57% increase in secured with safety or maintenance violations from 2021 to 2022
- 2023 violations on pace to exceed last year's numbers

Vacant Building Monitoring fee non-payment is up

- Fee collection rates have fallen from 57% in 2019 to 37% in 2022
- The current process for collecting unpaid fees requires obtaining a court order, which is time-consuming and resource intensive

Unsecured vacant buildings pose a public safety risk

LEGISLATION OVERVIEW

- Strengthen the standards for securing vacant buildings
- Require vacant buildings on monitoring to be kept free of graffiti
- Require any building that receives a Notice of Violation to enter the vacant building monitoring program, rather than just those buildings that fail to correct a Notice of Violation by the compliance deadline
- Simplify the process for Police and Fire referrals to vacant building monitoring
- Authorize SDCI to file a property lien to collect unpaid vacant building monitoring fees and abatement costs

CHANGES BY SECTION

SMC	Change	Purpose
22.206.200.A.4	Amends the standards for securing vacant buildings to require solid core doors rather than single panel or hollow and 1-inch rather than ½ inch throw deadbolts. Allows the department to require polycarbonate sheets rather than plywood if the Director determines it is necessary to secure the building.	Solid core doors and 1-inch deadbolts are typical for new construction and are more secure against entry. Polycarbonate sheets are more difficult to remove than plywood and provide greater visibility to first responders in the event of an emergency on the premises.
22.206.200.A.4	Adds a new requirement that vacant buildings must be kept free of graffiti.	Minimizing the visibility of vacant buildings can reduce the likelihood of future unlawful entry and deterioration.
22.206.200.F.2	Amends the criteria for a building to be enrolled in the VBM program to any Notice of Violation, rather than a Notice of Violation that is not corrected by the compliance deadline, or two Notices of Violation within a twelve-month period.	A vacant building with a violation, even if corrected, often experiences additional vacant building activity. This change removes the onus from the surrounding neighborhood to continually report problems.

CHANGES BY SECTION

SMC	Change	Purpose
22.206.200.F.2	Removes the requirement that Police and Fire maintain a list of properties that have generated calls for dispatch in order to refer them SDCI for vacant building monitoring.	Eliminate unnecessary redundancy and facilitate greater interdepartmental coordination by allowing SFD and SPD to directly report dangerous buildings without maintaining a separate list from SDCI.
22.206.200.F	Authorizes SDCI to collect VBM fees and abatement costs through a special assessment against the property filed as a lien with the King County Department of Records and Elections; provides requirements for how property owners and identifiable mortgage holders must be notified consistent with state law.	A property lien, or even the threat of a lien, encourages more timely voluntary compliance.
22.206.030.1 and 22.206.200	Various clarifications and technical corrections.	Improve the clarity and legibility of the code.

QUESTIONS?

Contact

Michele Hunter: michele.hunter@seattle.gov

Quinn Majeski: quinn.majeski@seattle.gov





Legislation Text

File #: Res 32097, **Version:** 1

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION endorsing strategies to improve the movement of people and goods in Seattle’s industrial and maritime areas.

WHEREAS, the maritime and industrial sectors are critical parts of the local, regional, and state economy; and

WHEREAS, Seattle contains two regionally designated Manufacturing Industrial Centers (MICs), a designation

that prioritizes long-term use for industry and serves a critical function to the regional and statewide economy, is subject to regional policy protections in the Puget Sound Regional Council’s (PSRC’s)

Vision 2050 plan, and is eligible for allocation of federal and state transportation funding; and

WHEREAS, industrial and maritime uses in the MICs provide quality jobs, two-thirds of which are accessible

without four-year college degrees; and

WHEREAS, a high proportion of jobs on industrial lands in fields including maritime, manufacturing,

transportation and logistics, construction, utilities, and services are unionized with high-quality benefits;

and

WHEREAS, there is a high potential for equitable access to quality jobs in industrial and maritime sectors by

women and other workers who are Black, Indigenous, and other people of color (BIPOC) when coupled

with job training and access programs provided by the City and other public agencies, private entities

and unions; and

WHEREAS, the economic contributions and the quality jobs provided by the businesses and major intermodal

transportation facilities in the MICs are dependent on maintaining and improving the functionality,

safety, and efficiency of the internal freight networks and the freight network that connects the MICs to

each other and to the regional and state freeway system; and

WHEREAS, The City of Seattle’s Complete Streets Ordinance (Ordinance 122386), Section 3, states: “Because freight is important to the basic economy of the City and has unique right-of-way needs to support that role, freight will be the major priority on streets classified as Major Truck Streets. Complete Street improvements that are consistent with freight mobility but also support other modes may be considered on these streets”; and

WHEREAS, it is a benefit to the regional, state, and national economy when supply chains are strong and a variety of agriculture products and goods supporting everyday life are manufactured in the United States and are exported through our ports around the world, and efforts are underway at all levels of government to onshore more manufacturing activities; and

WHEREAS, an Industrial and Maritime Strategy Advisory Council convened between December 17, 2019, and May 21, 2021, and issued a report based on an 80 percent consensus that recommended 11 strategies to strengthen and support our industrial maritime sectors; and

WHEREAS, the Industrial and Maritime Strategy Advisory Council report included transportation strategies that form the basis of this proposed legislation; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:

Section 1. The Seattle Department of Transportation (SDOT), Department of Construction and Inspections (SDCI), Office of Planning and Community Development (OPCD), and Office of Economic Development (OED) are requested to work collaboratively with the City’s regional transportation partners, the Port of Seattle and the Northwest Seaport Alliance, Seattle Freight Advisory Board, industrial trade unions, representatives of major Washington State agricultural commodities, and other stakeholders in the industrial areas of the City to:

A. Analyze transportation plans, industrial subarea plans, programs, project designs, changes to the operation of City streets, or changes to the allocation of right-of-way affecting truck mobility for their impacts

on all transportation modes, including freight, in order to provide the City with the information required to:

a. Improve the movement of workers and goods by making transit and freight networks more efficient, in particular, for industrial and maritime users; and

b. Improve last-mile connections to maritime, industrial, and railroad facilities for active transportation, transit, and freight, including large trucks; and

c. Identify priority transportation projects on the City's freight network and work to advance projects that can compete effectively for freight grant funding; and

d. Prioritize those projects that ensure goods are moving in an efficient, safe, predictable, and sustained manner to help maintain and grow maritime jobs and the economic health of the Manufacturing Industrial Centers (MICs); and

e. Identify funding strategies for this prioritized freight project list.

B. Continue advocating for Sound Transit's West Seattle and Ballard Link Extensions, that include:

a. A tunnel alignment for Ballard and Interbay future light rail; and

b. Maintaining freight movement during construction of the light rail alignment.

C. Regulatory impact analysis by SDOT, OPCD, and SDCI: Within two years of the effective date of the ordinance introduced as Council Bill 120567, and every two years thereafter, report on non-industrial development in the MICs. For newly introduced non-industrial uses (such as lodging or office use), consider how new development patterns are improving or growing the industrial center and its transportation system as well as potential unintended consequences, such as impacts on truck mobility. Include recommendations for regulatory and transportation changes as needed to maintain efficient movement of goods and a strong maritime, manufacturing, and logistics ecosystem in these reports.

D. Site development impact analysis: When non-industrial uses, such as lodging or office uses, are proposed in MICs, SDOT and SDCI staff should work with the applicant to explore opportunities to address safety issues with pedestrians and other modes of transportation and freight movement in MICs including along

designated Major Truck Streets, State Routes, or heavy haul corridors. This work should be prioritized in areas where new uses are being allowed amongst major generators of vehicle and pedestrian traffic, such as in the Stadium Transition Area Overlay District.

E. Designate freight-only lanes that provide essential connections between port facilities, interstate and state highways.

F. Seek increased funding for pavement maintenance.

G. Support Vision Zero projects to reduce traffic deaths and injuries with unique industrial-area applications.

Adopted by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its adoption this _____ day of _____, 2023.

President _____ of the City Council

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Legislative	Lish Whitson/206-615-1674	N/A

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

A RESOLUTION endorsing strategies to improve the movement of people and goods in Seattle’s industrial and maritime areas.

Summary and Background of the Legislation:

This resolution voices support for a number of actions to improvement the movement of people and goods in the City’s industrial and maritime areas, including:

1. Analyzing transportation plans, programs, projects, changes to the right-of-way, and industrial subarea plans in order to identify and fund projects that support freight mobility;
2. Advocating for Sound Transit’s West Seattle and Ballard Link extensions;
3. Reporting on non-industrial development in Manufacturing/Industrial Centers;
4. Considering opportunities to address transportation safety issues during project review;
5. Designating freight-only lanes that provide essential connections between Port facilities and highways;
6. Seeking increased funding for pavement maintenance; and
7. Supporting Vision Zero projects with unique industrial-area applications.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Yes, if implemented, the Resolution would call for increased transportation funding, particularly related to freight routes and increased funding for pavement maintenance. Implementing the resolution would require additional City staff to analyze the impacts of non-residential development in Manufacturing Industrial Centers (MICs) and may require additional time to review permits for development in the MICs, increasing staff and permitting costs. This could include the equivalent of one FTE split between SDOT and OPCD, with a cost of between \$150,000 and \$200,000 General Fund annually. Permitting costs would be covered by SDOT and SDCI permitting fees.

Are there financial costs or other impacts of *not* implementing the legislation?

The maritime, manufacturing, and logistics industries have a significant impact on the City's and regional economy. If the activities recommended as part of this Resolution are not implemented, there is the possibility that traffic congestion in the MICs increases with impacts to the City's and regional economy, and the attractiveness of the MICs to continue to foster a vibrant industrial ecosystem could be injured.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes, the Resolution would ask the Seattle Department of Transportation, Office of Planning and Community Development, Seattle Department of Construction and Inspections, and the Office of Economic Development to work with partners in the Maritime and Industrial communities to implement the resolution.

b. Is a public hearing required for this legislation?

No

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

d. Does this legislation affect a piece of property?

No

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The City's industrial and maritime areas include many businesses that provide living-wage and higher paying jobs to people who do not have college degrees. Maintaining and improving the freight network can help to keep those businesses in Seattle. However, these industrial areas, in particular the industrial area near South Park, are home to lower-income, BIPOC residents who are impacted by freight traffic and related transportation safety issues in their neighborhoods. To the extent that freight improvements are made that consider all modes of transportation, including walking and bicycling, this resolution can help those communities to lessen the impact of the surrounding industrial areas.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

Not directly. Other activities, such as electrification of freight fleets and ships would have a larger impact on carbon emissions. This resolution is primarily about maintaining the current transportation network.

- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?**

Not applicable.

Summary Attachments (if any):

None



SEATTLE CITY COUNCIL
CENTRAL STAFF

Resolution 32097 - Industrial Maritime Transportation Resolution

LISH WHITSON, LEGISLATIVE ANALYST

LAND USE COMMITTEE

JULY 6, 2023

Industrial Maritime Transportation Strategy

IM Strategy Council recommended the following strategies related to transportation:

- Improve the movement of people and goods and make transit and freight networks work for industrial and maritime users with better service and facilities;
- Improve last mile connections for active transportation, transit, and freight, including large truck access to shoreline and railroad uses; and
- Advocate for a tunnel alignment for Ballard and Interbay light rail extension.

Resolution 32097

Feedback from stakeholders identified the following more specific actions to implement those strategies:

- Analyze plans and projects for their impacts on all transportation modes, including freight;
- Continue advocating for the light rail extensions, including a Ballard tunnel;
- Report every two years on non-industrial development in the MICs;
- Consider safety impacts in permit review;
- Designate freight-only lanes for essential connections;
- Increase funding for pavement maintenance; and
- Support Vision Zero projects in industrial areas.

Questions?

Amendment 1 Version 1 to Resolution 32097 LEG Industrial Transportation RES

Sponsor: Councilmember Strauss

Substitute version of the Resolution incorporating stakeholder feedback

Effect: This amendment would adopt a substitute version of Resolution 32097 including the edits shown in Attachment 1. The changes were proposed by stakeholders from industrial areas. These edits would:

1. Identify additional key stakeholders to consult in implementing the resolution, including Sound Transit, railroads, and property owners.
2. Request that transportation plans be analyzed in order to:
 - a. Provide information required to prioritize freight movement on Major Truck Streets within and near Manufacturing Industrial Centers (MICs); and
 - b. Implement regulatory and design standards to reduce conflicts between industrial and non-industrial users of the freight network, including limiting curb cuts and providing turning radii that can safely accommodate truck movements.
3. Request that the Seattle Department of Transportation (SDOT), when it is proposing changes to a Major Truck Street that would reduce the number or width of lanes along the street, brief the Freight Advisory Board and the Council's committee with purview over transportation issues prior to making changes.
4. More clearly identify the City departments charged with implementing sections of the Resolution, including asking OPCD to lead a regulatory impact analysis project.
5. Ask that the regulatory impact analysis include annual reports on numbers of non-industrial projects seeking and being granted permits in industrial areas and quadrennial include reports on barriers to development if funding for analysis is provided, and recommendations for improvements.
6. Indicate that site development review should improve or enhance the industrial centers and their transportation networks and include reductions in curb cuts on Major Truck Streets.
7. Prioritize freight movement through tools like freight and transit lanes, and queue jumps for freight and transit, in addition to freight-only lanes.
8. Seek increased funding for bridge repair or preservation for bridges that serve industrial areas, such as the Ballard Bridge, the 1st and 4th Avenue S bridges over the Argo Yard in the Duwamish MIC, and the 1st Avenue S bridge over the Duwamish River.

Lish Whitson
Land Use Committee
September 11, 2023
D#2

If adopted, the Resolution would result in some additional work for City departments and may require additional staffing beyond that identified in the Summary and Fiscal Note for Resolution 32097. Additional funding would be required in order to support the quadrennial reports described above under number 5. The extent of those additional resources has not been identified.

Substitute version 4b of Resolution 32097, incorporating the amendments shown in the attached version of Resolution 32097, for Resolution 32097 as introduced.

CITY OF SEATTLE

RESOLUTION _____

..title

A RESOLUTION endorsing strategies to improve the movement of people and goods in Seattle’s industrial and maritime areas.

..body

WHEREAS, the maritime and industrial sectors are critical parts of the local, regional, and state economy; and

WHEREAS, Seattle contains two regionally designated Manufacturing Industrial Centers (MICs), a designation that prioritizes long-term use for industry and serves a critical function to the regional and statewide economy, is subject to regional policy protections in the Puget Sound Regional Council’s (PSRC’s) Vision 2050 plan, and is eligible for allocation of federal and state transportation funding; and

WHEREAS, industrial and maritime uses in the MICs provide quality jobs, two-thirds of which are accessible without four-year college degrees; and

WHEREAS, a high proportion of jobs on industrial lands in fields including maritime, manufacturing, transportation and logistics, construction, utilities, and services are unionized with high-quality benefits; and

WHEREAS, there is a high potential for equitable access to quality jobs in industrial and maritime sectors by women and other workers who are Black, Indigenous, and other people of color (BIPOC) when coupled with job training and access programs provided by the City and other public agencies, private entities and unions; and

WHEREAS, the economic contributions and the quality jobs provided by the businesses and major intermodal transportation facilities in the MICs are dependent on maintaining and improving the functionality, safety, and efficiency of the internal freight networks and the

1 freight network that connects the MICs to each other and to the regional and state
2 freeway system; and

3 WHEREAS, The City of Seattle’s Complete Streets Ordinance (Ordinance 122386), Section 3,
4 states: “Because freight is important to the basic economy of the City and has unique
5 right-of-way needs to support that role, freight will be the major priority on streets
6 classified as Major Truck Streets. Complete Street improvements that are consistent with
7 freight mobility but also support other modes may be considered on these streets”; and

8 WHEREAS, it is a benefit to the regional, state, and national economy when supply chains are
9 strong and a variety of agriculture products and goods supporting everyday life are
10 manufactured in the United States and are exported through our ports around the world,
11 and efforts are underway at all levels of government to onshore more manufacturing
12 activities; and

13 WHEREAS, an Industrial and Maritime Strategy Advisory Council convened between
14 December 17, 2019, and May 21, 2021, and issued a report based on an 80 percent
15 consensus that recommended 11 strategies to strengthen and support our industrial
16 maritime sectors; and

17 WHEREAS, the Industrial and Maritime Strategy Advisory Council report included
18 transportation strategies that form the basis of this proposed ~~legislation~~resolution;

19 NOW, THEREFORE,

20 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
21 **MAYOR CONCURRING, THAT:**

22 Section 1. The Seattle Department of Transportation (SDOT), Department of
23 Construction and Inspections (SDCI), Office of Planning and Community Development (OPCD),

1 and Office of Economic Development (OED) are requested to work collaboratively with the
2 City’s regional transportation partners including Sound Transit, the Port of Seattle and the
3 Northwest Seaport Alliance, Seattle Freight Advisory Board, railroads, industrial trade unions,
4 representatives of major Washington State agricultural commodities, property owners, and other
5 stakeholders in the industrial areas of the City to:

6 A. Analyze transportation plans, (including industrial subarea plans, programs, project
7 designs, changes to the operation of City streets, or changes to the allocation of right-of-way
8 affecting truck mobility) for their impacts on all transportation modes, ~~including especially~~
9 freight, in order to provide the City with the information required to:

10 1. Prioritize freight movement on streets classified as Major Truck streets in
11 planning, funding, and developing street improvements within and near the Manufacturing
12 Industrial Centers (MICs) and surrounding areas; and

13 2. Improve the movement of workers and goods by making transit and freight
14 networks more efficient, in particular, for industrial and maritime users; and

15 3. Improve last-mile connections to maritime, industrial, and railroad facilities
16 for active transportation, transit, and freight, including large trucks; and

17 4. Identify priority transportation projects on the City’s freight network and work
18 to advance projects that can compete effectively for freight grant funding; and

19 5. Prioritize those projects that ensure goods are moving in an efficient, safe,
20 predictable, and sustained manner to help maintain and grow maritime jobs and the economic
21 health of the ~~Manufacturing Industrial Centers (MICs)~~; and

22 6. Identify funding strategies for this prioritized freight project list; and

1 ¶7. Implement regulatory and design standards to reduce conflicts between
2 industrial and non-industrial users of the freight network, such as limits on the number and
3 location of curb cuts for non-industrial uses and standards for intersections that provide turning
4 radii that can safely accommodate truck movements.

5 B. When a transportation project may result in the reduction in the number or width of
6 lanes along a Major Truck Street, the Council requests that SDOT offers a briefing to the Seattle
7 Freight Advisory Board and the Seattle City Council’s Transportation and Seattle Public Utilities
8 Committee, or successor committee with purview over transportation issues, with a goal of
9 demonstrating that adjacent land uses and through traffic will not be compromised.

10 BC. Continue advocating for Sound Transit’s West Seattle and Ballard Link Extensions,
11 that include:

12 a1. A tunnel alignment for Ballard and Interbay future light rail; and
13 b2. Maintaining efficient freight movement during construction of the light rail
14 alignment.

15 CD. Regulatory impact analysis by SDOT, OPCD, and SDCI:

16 1. Within two years of the effective date of ~~the ordinance introduced as Council~~
17 ~~Bill 120567~~ Ordinance 126862, and every ~~two~~ years thereafter, OPCD should report on non-
18 industrial development in the MICs, including the number of non-industrial development project
19 permits applied for, issued, and completed during the prior two years.

20 2. Within four years of the effective date of Ordinance 126862, and every four
21 years thereafter, for ~~For~~ newly introduced non-industrial uses (such as lodging, entertainment,
22 retail, or office uses), OPCD, in consultation with SDOT and SDCI, should consider how new
23 development patterns are improving or growing the industrial center and its transportation

1 system, as well as considering potential unintended consequences, such as impacts on truck
2 mobility. Additional analysis related to barriers to development consistent with the zoning in the
3 MICs, including but not limited to the effectiveness of incentive programs, should be included in
4 these studies if funding to undertake that work is provided by the Council. ~~Include These~~
5 quadrennial reports should include recommendations for regulatory and transportation changes
6 ~~as~~ needed to support development consistent with the zoning and maintain efficient movement of
7 goods and a strong maritime, manufacturing, and logistics ecosystem ~~in these reports.~~

8 DE. Site development impact analysis: When non-industrial uses (such as lodging,
9 entertainment, retail, or office uses,) are proposed in MICs, SDOT and SDCI staff should work
10 with the applicant to explore opportunities to improve or enhance the industrial centers and their
11 transportation networks. This analysis should address safety issues with pedestrians and other
12 modes of transportation and freight movement in MICs including along designated Major Truck
13 Streets, State Routes, or heavy haul corridors. This work should include limits on curb cuts on
14 Major Truck Streets, to the extent feasible. This work should be prioritized in areas where new
15 uses are being allowed amongst major generators of vehicle and pedestrian traffic, such as in the
16 Stadium Transition Area Overlay District.

17 EF. ~~Designate~~ Prioritize freight ~~only lanes~~ movement on streets that provide essential
18 connections between port facilities, interstates, and state highways, with tools such as freight-
19 only lanes, freight and transit lanes, queue jumps for freight and transit, and other tools.

20 FG. Seek increased funding for pavement maintenance and bridge repair or preservation
21 projects for bridges that serve industrial areas such as the Ballard Bridge, the bridges over Argo
22 Yard, and the 1st Avenue South Bridge.

1 ~~GH~~. Support Vision Zero projects with unique industrial-area applications to reduce
2 traffic deaths and injuries ~~with unique industrial-area applications~~.

3 Adopted by the City Council the _____ day of _____, 2023,
4 and signed by me in open session in authentication of its adoption this _____ day of
5 _____, 2023.

6 _____
7 President _____ of the City Council

8 The Mayor concurred the _____ day of _____, 2023.

9 _____
10 Bruce A. Harrell, Mayor

11 Filed by me this _____ day of _____, 2023.

12 _____
13 Scheereen Dedman, City Clerk

14 (Seal)



Legislation Text

File #: CB 120635, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes related to a transportation impact fee program proposed as part of the 2022-2023 Comprehensive Plan annual amendment process.

WHEREAS, The City of Seattle adopted a Comprehensive Plan through Ordinance 117221 in 1994 and most recently amended the Comprehensive Plan in 2022; and

WHEREAS, the Growth Management Act authorizes annual amendments to the City's Comprehensive Plan; and

WHEREAS, the adopted procedures in Resolution 31807 provide the process for interested citizens and Councilmembers to propose annual amendments for consideration by the City Council; and

WHEREAS, the Council proposed consideration of Comprehensive Plan amendments related to impact fees, including transportation impact fees, during the 2022-2023 annual amendment process; and

WHEREAS, the Council's Land Use Committee held a public hearing on July 27, 2022, to take public testimony on the amendments proposed for consideration; and

WHEREAS, on September 20, 2022 the City Council considered proposed Comprehensive Plan amendments and adopted Resolution 32068 directing that City staff further review and analyze amendments necessary to implement an impact fee program; and

WHEREAS, impact-fee related amendments have been developed and analyzed by the Council Central Staff and considered by the Council; and

WHEREAS, the City has provided for public participation in the development and review of these proposed

amendments and other changes to comply with the Growth Management Act, including requirements for early and continuous public participation in the development and amendment of the City's Comprehensive Plan; and

WHEREAS, the Council has considered public testimony made at the public hearing(s), and other pertinent material regarding proposed transportation impact fee-related amendments; and

WHEREAS, the Council finds that the transportation impact fee-related amendments to the Comprehensive Plan are consistent with the Growth Management Act, and will protect and promote the health, safety, and welfare of the general public; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Seattle Comprehensive Plan, last amended by Ordinance 126730, is amended as follows:

- A. Amendments to the Transportation Element, as shown in Attachment 1 to this ordinance; and
- B. Amendments to the Transportation Appendix, as shown in Attachment 2 to this ordinance.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Elizabeth M. Adkisson, Interim City Clerk

(Seal)

Attachments:

Attachment 1 - Amendments to the Transportation Element

Attachment 2 - Amendments to the Transportation Appendix

ATTACHMENT 1: Amendments to the Transportation Element

Measuring Level of Service

Discussion

To accommodate the growth anticipated in this Plan and the increased demands on the transportation system that come with that growth, the Plan emphasizes strategies to increase travel options. Those travel options are particularly important for connecting urban centers and urban villages during the most congested times of day. Strategies for increasing travel options include concentrating development in urban villages well served by transit, completing the City's modal plan networks, and reducing drive-alone vehicle use during the most congested times of day. As discussed earlier in this Transportation element, using the current street right-of-way as effectively as possible means encouraging forms of travel other than driving alone.

In order to help advance this Plan's vision, the City will measure the level of service (LOS) on its transportation facilities based on the share of all trips that are made by people driving alone. That measure focuses on travel that is occurring via the least space-efficient mode. By shifting travel from drive-alone trips to more efficient modes, Seattle will allow more people and goods to travel in the same amount of right-of-way. Because buses are the primary form of transit ridership in the city and buses operate on the arterial system, the percentage of trips made that are not drive-alone also helps measure how well transit can move around the city. For the purposes of establishing a transportation impact fee program, the City will identify the demands placed on the system by new development by establishing the future cost per person trip of capacity-related improvements to the transportation system relative to the value of the existing system. This existing-system-value methodology complements the level of service by focusing on person trips, regardless of mode. A more detailed description of the City's transportation LOS system and existing-system-value methodology can be found in the Transportation Appendix.

Funding

GOAL

- TG 10** Ensure that transportation funding is sufficient to operate, maintain, and improve the transportation system that supports the City's transportation, land use, economic, environmental, equity, and other goals.

Funding

POLICIES

- T 10.1** Maintain and increase dedicated local transportation funding by renewing or replacing the transportation levy and by maintaining or replacing the existing commercial parking tax and Seattle Transportation Benefit District.
- T 10.2** Work with regional and state partners to encourage a shift to more reliance on user- based taxes and fees, and on revenues related to impacts on the transportation system and the environment.
- T 10.3** Leverage local funding resources by securing grants from regional, state, and federal sources, and through contributions from those who benefit from improvements.
- T 10.4** Partner with other City departments, as well as regional transportation and public works agencies, to coordinate investments, maximize project integration, reduce improvement costs, and limit construction impacts on neighborhoods.
- T 10.5** Make strategic investment decisions consistent with City plans and policies.
- T 10.6** Prioritize investment by considering life-cycle costs, safety, environmental benefits, reduction of greenhouse gas emissions, and public health benefits. Race and social equity should be a key factor in selecting transportation investments.
- T 10.7** ~~((Consider use of))~~ Use transportation impact fees to help fund transportation system improvements needed to serve growth.
- T 10.8** Base transportation impact fees on the difference between the value of the existing transportation system and the cost of identified capacity-related improvements needed to address the impacts of growth.

- T 10.9** Consider exemptions from transportation impact fees for low-income housing, early learning facilities, and other development activities with a public purpose, as authorized by RCW 82.02.060.
- T 10.10** Consistent with the transportation level of service, consider location adjustments to transportation impact fees in urban centers and villages based on the roadway space each mode uses per trip compared to a trip made driving alone.
- T 10.~~(8)~~11** Prepare a six-year Capital Improvement Program (CIP) with projects and programs that are fully or partially funded.
- T 10.~~(9)~~12** Develop prioritized lists of projects, consistent with City policies, and actively pursue funds to implement those projects.
- T 10.~~(10)~~13** Identify and evaluate possible additional funding resources and/or alternative land use and transportation scenarios if the level of transportation funding anticipated in the six-year financial analysis (shown in Transportation Figures 9 and 10) falls short of the estimated amount.
- T 10.~~(11)~~14** Explore innovative means of reducing maintenance costs such as converting right-of-way into other uses when appropriate.

ATTACHMENT 2: Amendments to the Transportation Appendix

Transportation Impact Fees

A transportation impact fee program partially addresses service needs by helping to fund capacity improvements to existing facilities and new capital projects. The program identifies projects needed to address demands on the transportation network associated with growth and new development. In determining existing deficiencies the City utilizes a methodology based on a quantification of the value of the existing transportation system.

Existing System Value Methodology

The existing system value methodology establishes a maximum allowable impact fee rate. This is a method of determining existing deficiencies which establishes that the City cannot charge an impact fee rate that exceeds the value of the system that exists today.

First, the existing value of the transportation system is calculated using both the value of existing infrastructure and land in the right-of-way. This value is then divided by the number of current PM peak hour person trips to establish a current value per person trip. An impact fee rate cannot exceed this value.

Next, the total cost of impact-fee eligible capacity improvements are calculated based on a list of projects required to serve new development. That total amount is then divided by the number of new person trips forecast over a twelve-year period, the timeframe for improvements listed in the impact fee program, to establish the cost per person trip of needed capacity improvements. Impact fee rates by land use are calculated based on that cost.

Facility Improvements to Serve New Development

The City has identified multiple projects serving all modes that are needed to address demands on the transportation network. The projects are drawn from multiple sources, including the City's modal plans, and are intended collectively to improve the performance and efficiency of the transportation network. Projects are listed in Transportation Appendix A-18 and most project locations are shown on Transportation Appendix A-19. Projects included in the list are eligible for expenditures using revenue from the transportation impact fee program.

Transportation Appendix Figure A-18

Impact Fee Eligible Projects

<u>Project</u>
1. <u>Northgate-Ballard-Downtown Transit Improvements</u>
2. <u>Madison Street Bus Rapid Transit</u>
3. <u>Market / 45th Transit Improvement Project</u>
4. <u>Rainier / Jackson Complete Street</u>
5. <u>Roosevelt to Downtown Complete Street</u>
6. <u>Accessible Mt Baker</u>
7. <u>E Marginal Way Heavy Haul Network Improvements</u>
8. <u>Bike Master Plan (BMP) Implementation</u>
9. <u>Pedestrian Master Plan Implementation</u>
10. <u>Freight Spot improvement</u>
11. <u>Greenwood Phinney, 67th to Fremont Complete Street</u>
12. <u>Yesler/Jefferson Complete Streets</u>
13. <u>1st/1st Av S Corridor</u>
14. <u>23rd Av - Phase 4</u>
15. <u>Aurora Avenue Complete Street</u>
16. <u>Beacon/12th/Broadway Complete Streets</u>
17. <u>Fauntleroy Way/California Transit Corridor</u>
18. <u>Lake City Way Complete Street</u>
19. <u>15th Avenue West Spot Improvements</u>
20. <u>West Galer Street Interchange</u>
21. <u>South Massachusetts Street Truck Improvements</u>
22. <u>6th Avenue at I-5 Mobility Improvements</u>

23. <u>Intersection Improvements at 4th Avenue North, Westlake Avenue North, Dexter Avenue North and Nickerson Street</u>
24. <u>BINMIC Truck Route Improvements</u>
25. <u>6th Avenue South Modal Improvements</u>

Transportation Appendix Figure A-19

Impact Fee Eligible Projects Map



SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
LEG	Ketil Freeman / 48178	NA

* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

1. BILL SUMMARY

Legislation Title: AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes related to a transportation impact fee program proposed as part of the 2022-2023 Comprehensive Plan annual amendment process.

Summary and Background of the Legislation:

The legislation would amend the Comprehensive Plan, *Seattle 2035*, to include a project list, proposed policies and explanatory text to support future implementation of a transportation impact fee program. Specifically, the proposed amendments would (1) amend the Transportation Elements of the Comprehensive Plan and related appendices to identify deficiencies in the transportation system associated with new development; (2) incorporate a list of transportation infrastructure projects that would add capacity to help remedy system deficiencies; and (3) establish a policy of considering locational discounts for urban centers and villages and exemptions for low-income housing, early learning facilities and other activities with a public purpose for future rate-setting, if any. Projects included in the list would be eligible for future investments with revenue from a transportation impact fee program.

The proposed amendments to *Seattle 2035* are a necessary, but not sufficient, step to establish an impact fee program under RCW 82.02.050.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

If there are no changes to appropriations, revenues, or positions, please delete the table below.

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No. The proposed amendments to *Seattle 2035* are a necessary, but not sufficient, step to establish an impact fee program under RCW 82.02.050.

Are there financial costs or other impacts of *not* implementing the legislation?

No.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes, the Seattle Department of Construction and Inspections, the Office of Planning and Community Development and the Seattle Department of Transportation.

b. Is a public hearing required for this legislation?

A public hearing is required with 30-days advance notice in the Land Use Information Bulletin and Daily Journal of Commerce.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes, hearing notice is required in the Daily Journal of Commerce.

d. Does this legislation affect a piece of property?

Not at this time but if a Transportation Impact Fee Program and implementing legislation is adopted, fees may be applied to various properties.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

No. The proposed amendments to *Seattle 2035* are a necessary, but not sufficient, step to establish an impact fee program under RCW 82.02.050.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?

The proposed amendments to *Seattle 2035* are a necessary, but not sufficient, step to establish an impact fee program under RCW 82.02.050. If the City establishes a transportation impact fee program, the long-term goal of the program would be to implement Comprehensive Plan Transportation Element Goal TG10:

Ensure that transportation funding is sufficient to operate, maintain, and improve the transportation system that supports the City's transportation, land use, economic, environmental, equity, and other goals.

This legislation would help accomplish that goal by making procedural amendments to the Comprehensive Plan that are required by RCW 82.02.050.

Summary Attachments (if any):



SEATTLE CITY COUNCIL
CENTRAL STAFF

Transportation Impact Fees – Background and Legislative History

KETIL FREEMAN, COUNCIL CENTRAL STAFF

SEPTEMBER 11, 2023

Legislative History

- **2014:** Council appropriates SDOT fund balance to Finance General Reserve to study impact fees
- **2015:** The Mayor's Office, City Budget Office, DPD, SDOT, and Parks present a work program and preliminary recommendation for developing an impact fee program
- **2016:** Development of a program for parks and transportation impact fees is tabled pending implementation of Mandatory Housing Affordability
- **2017 – 2022:** Council docketed Comprehensive Plan policy changes to implement an impact fee program
- **2018:** Council issues SEPA threshold determination for Comprehensive Plan amendments for transportation impact fees, which is appealed
- **2019:** Threshold determination is remanded to the Council by the Hearing Examiner
- **2020:** Council recites intent to consider transportation impact fees as a progressive revenue source when submitting to the electors a sales tax increase for transit - Proposition 1 (Ordinance 126115)
- **2023:** Council updates requisite rate study and reissues SEPA threshold determination, which is appealed

Transportation Impact Fees – What Are they?

- Fees charged to new development to partially fund the cost of new transportation infrastructure needed to accommodate growth
 - Impact fees can also be charged for parks, schools and fire facilities
- Authorized under the Growth Management Act and RCW 82.02.050
- Three Step Process for Implementation:
 1. Rate study identifying system deficiencies, improvements needed to serve new development, and establish a ceiling for any future rates
 2. Amendments to the Comprehensive Plan
 3. Development of implementing legislation

What development could be exempted?

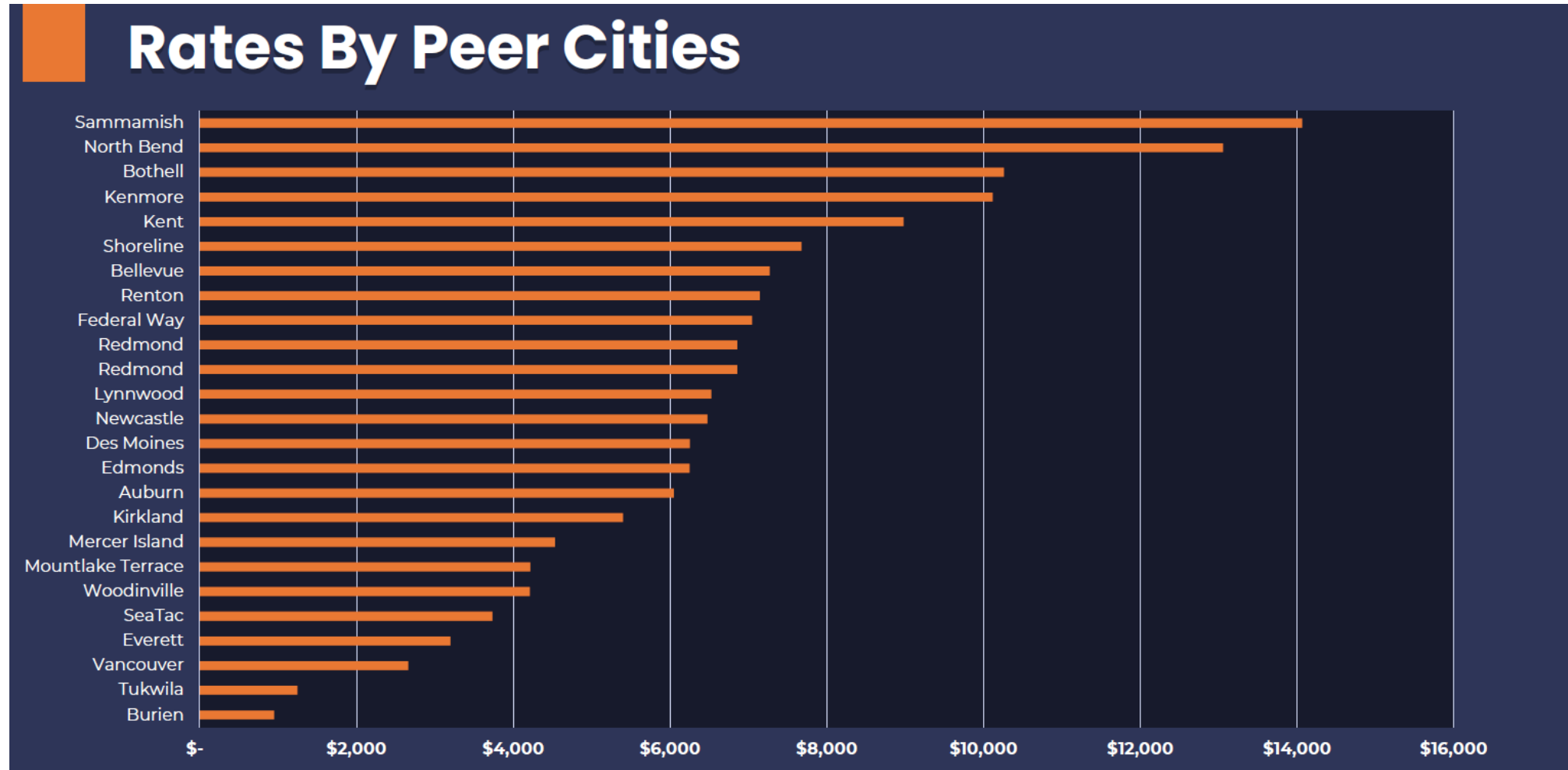
- Low-income housing - defined as housing serving households with incomes up to 80% of the area median income
- Early learning facilities – defined as “a facility providing regularly scheduled care for a group of children one month of age through twelve years of age for periods of less than twenty-four hours”
- Development activities with a broad public purpose – some jurisdictions exempt ADUs

How much revenue could transportation impact fees generate?

- Revenue generated by a transportation impact fee program would depend on two primary factors:
 - Fee levels set by the City by land use and exemptions and
 - The rate of future employment and residential growth
- If the City set rates that are comparable to other Western Washington jurisdictions and if Seattle experiences similar growth to past years, an impact fee program could generate between \$200 million - \$760 million over 10 years

Base Rate Similar to Bellingham (\$2,347 / person trip)	Base Rate Similar to Western Washington Average (\$4,744 / person trip)	Base Rate Similar to Kent (\$8,979 / person trip)
Approx \$200,000,000	Approx \$404,000,000	Approx \$764,000,000

What are other jurisdictions' transportation impact fee rates?



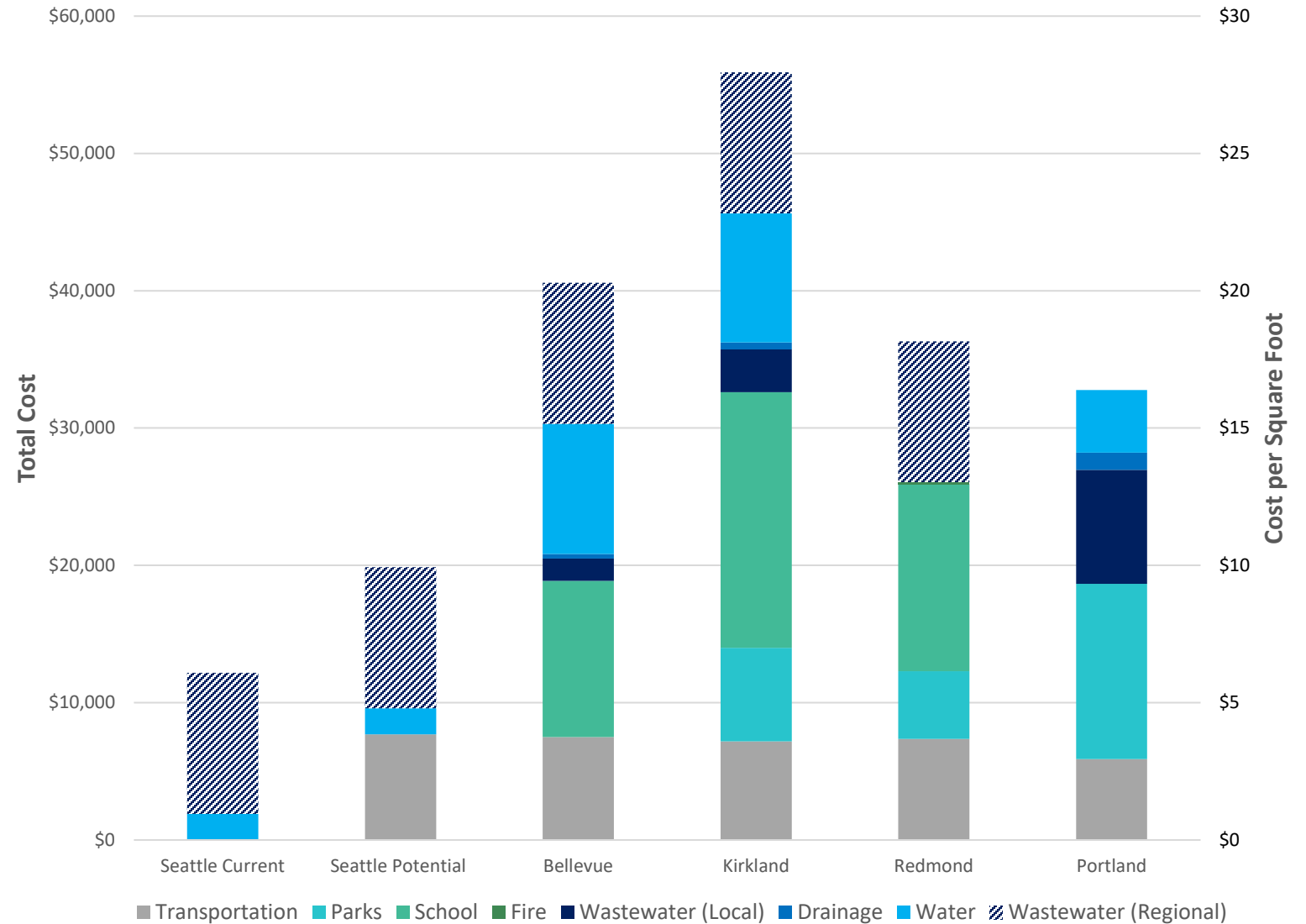
Source: Fehr and Peers March presentation to the Transportation and SPU Committee. Based on data available through the MRSC and compiled by Chris Comeau, FAICP-CTP.

Comparison – Single Family

This is an illustrative comparison of system improvement charges, including transportation impact fees, charged by peer jurisdictions. This comparison utilizes a hypothetical fee based on the average fee charged by Western Washington jurisdictions.

The City does not currently have a fee proposal.

System Improvement Cost Comparison for a Typical Single Family Home (1,500 square feet)
(excludes permit fees)

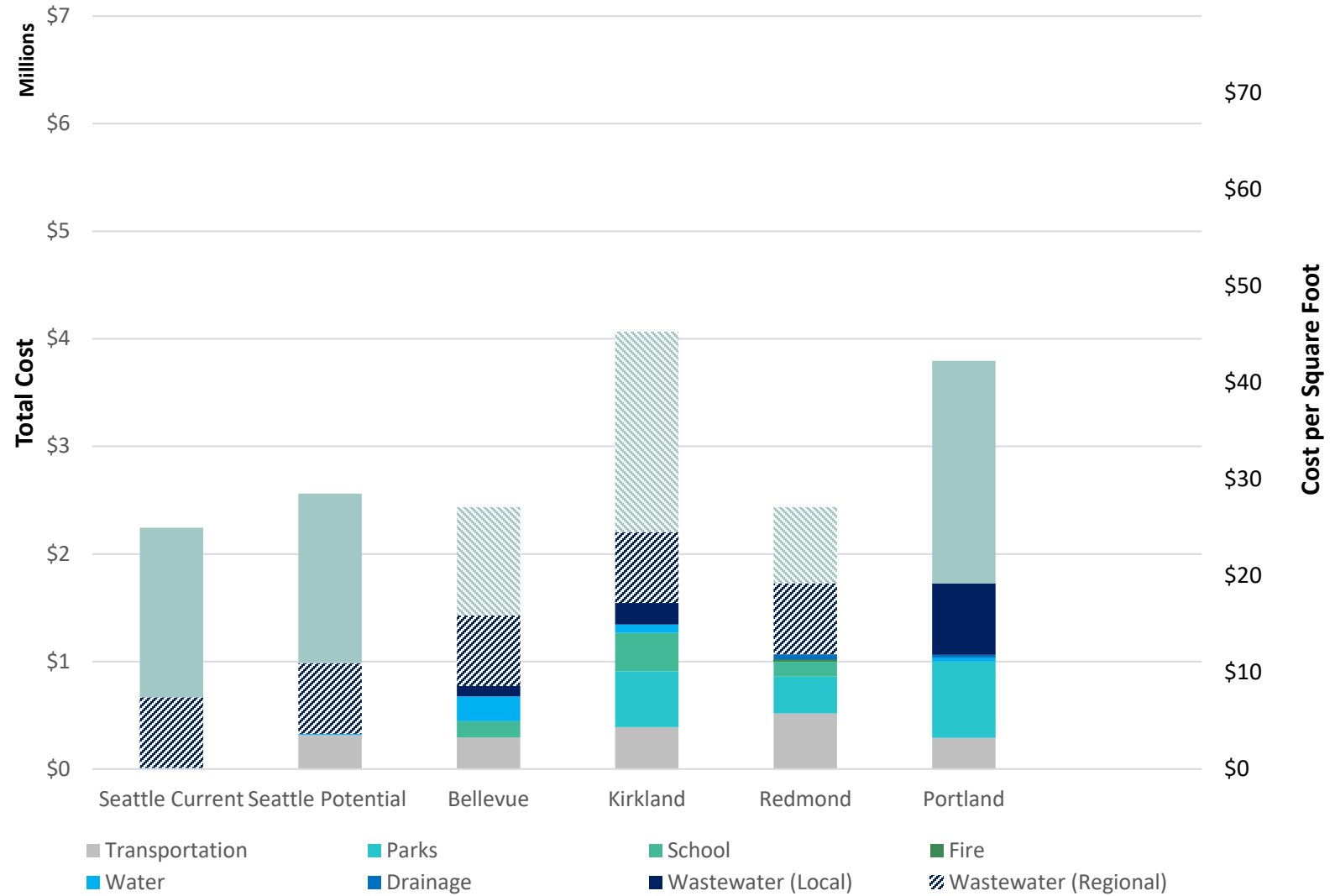


Comparison – Multifamily

This is an illustrative comparison of system improvement charges, including transportation impact fees, charged by peer jurisdictions. This comparison utilizes a hypothetical fee based on the average fee charged by Western Washington jurisdictions.

The City does not currently have a fee proposal.

System Improvement Cost Comparison for a Typical Multi-Family Development
(100 dwelling unit, excludes permit fees)



Proposed 2023 Comprehensive Plan Amendments – What would they do?

The proposed amendments would:

- Amend the Transportation Element of the Comprehensive Plan and a related appendix to identify deficiencies in the transportation system associated with new development
- Update the list of transportation infrastructure projects identified in 2018 that would add capacity to help remedy system deficiencies
- Establish policies of considering locational discounts for urban centers and villages and exemptions for low-income housing, early-learning facilities and other activities with a public purpose for any future rate-setting.

Next Steps

- September 2023 – SEPA appeal hearing
- Mid-October to Mid-November – Hearing Examiner issues decision on the appeal
- November – If there is a favorable Hearing Examiner decision, potential consideration of Comprehensive Plan amendments concurrently with the budget

Questions?