

Director's Report Lake City Rezone June 2025

PROPOSAL SUMMARY

The Office of Planning and Community Development (OPCD) proposes legislation to rezone land in the Lake City neighborhood on a collection of four land parcels on two blocks near the heart of the Lake City Hub Urban Village and proposed Urban Center per the One Seattle Plan. The parcels have a high potential for infill development with affordable multi-family housing and community serving uses. The parcels are owned by the City of Seattle Parks and Recreation (SPR), City of Seattle Finance and Administrative Service (FAS), the City of Seattle Public Library (SPL), and one parcel in private ownership by Bank of America that is currently used as a local branch. The parcels in ownership by SPR and FAS are expected to host development of a new Lake City Community Center with affordable housing on its upper floors.

In total the proposal would affect approximately 3.1 acres of land. The parcels are located to the east and the west sides of 28th Ave. NE in the blocks to the north of NE. 125th St. See also maps and photographs on the following pages.

The proposal would change the zoning of the four parcels to a Neighborhood Commercial zone with an 85' height limit. The majority of the affected area is currently zoned Neighborhood Commercial with a 75' height limit. Therefore, the primary effect of this proposal is to increase the height limit by 10' and increase the allowed maximum Floor Area Ratio (FAR) by 0.25 from 5.5 to 5.75. The intent is to incrementally increase capacity for housing and affordable housing in an efficient way by allowing construction with five full stories of wood-framed construction to be located over two stories of space that can accommodate commercial and community-oriented uses at street level. Other nuances to the proposed zoning change are described later in this director's report.

Affected Area



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View of the Lake City Community Center Site Looking in a Northerly Direction



PROPOSAL AND ANALYSIS

The sites proposed for rezone include lands owned by the City of Seattle. The incremental zoning changes would increase development capacity to support greater densities or quantities of affordable housing. The proposed rezone supports development that would be in efficient configurations for cost-effective construction due to topographical factors, construction methods, and parcel size. No housing units will be eliminated since there is no existing housing on site. Although this proposal does not include construction, the zoning envelopes could facilitate an estimated 500 new housing units using general assumptions. No redevelopment or new housing is anticipated on the site of Seattle Public Library.

On the parcel owned by the Seattle Parks Department, not-for-profit affordable housing providers are interested in potential redevelopment of a new Lake City Community Center on the ground floor with rent- and income-restricted housing above. If this potential redevelopment proceeds, the affordable housing component of this development could likely be financed in part with support by the Office of Housing. The potential developer is interested in constructing a 7-story apartment building. If permitted, new apartment homes would be within one-half mile of frequent transit service on the # line on Lake City Way and would house Individuals/Families at 50-60% Area Median Income and Feature 2-3 bedroom 'family-sized' units. The site is directly adjacent to the Albert Davis Park and the Lake City Library and is therefore a location exceptionally well-served by public services.

In May of 2025 the Tent City 4 temporary encampment for unsheltered persons moved to the Lake City Community Center site. The community of around 100 people will stay there for up to six months according to an agreement with the City. Since planning and design for any future development would take much longer than six months before any construction might begin, this proposal does not affect the temporary land use as an encampment for unsheltered persons that will be present within the rezone area. The encampment will voluntarily move before any permanent construction on the Lake City Community Center site. The organization that runs the encampment has an enduring promise of not staying in any single location for more than one year.

The proposed rezone area also includes a private parcel of land currently occupied by a one-story Bank of America branch and large surface parking area. Inclusion of this parcel makes for a logical pattern of zones that stair-step down from 95' at Lake City Way, to 85' on the proposed rezone area, to 75' west of the proposed rezone area, and to 55' further west. Inclusion of the Bank of America parcel extends the housing capacity aspects of the rezone to a larger geography on a site that is well-positioned for future infill development.

Parcel Configuration and Correction of Boundary Mismatches

The land owned by SPR is a large irregular parcel that contains both the community center / housing site and Albert Davis Park. This proposal only seeks to rezone the portion of this parcel that will be occupied by the community center and housing. The part of the parcel used as the Albert Davis Park space is zoned Lowrise 3. This proposal does not seek to change the LR3 zoning on the Albert Davis Park, except for a small portion of the LR3 zoned area along the east edge of the park that is intended to be used as part of the community center and housing footprint. This sliver of land is proposed for a rezone from LR3 to NC3-85. Additionally, a sliver of land to the north of the community center along the 28th Ave. NE frontage is zoned NC3-55 because the parcel boundary does not match the zoning boundary here.

This sliver of land will be rezoned from NC3-55 to NC3-85. These changes are corrections of inconsistencies between zoning boundaries and parcel boundaries on slivers of land and are not considered to be material or substantive changes to the zoning in the area.

Existing zoning on the Seattle Public Library site is the Neighborhood Commercial 2 (NC2) designation while the rest of the commercial land in the area is Neighborhood Commercial 3 (NC3). NC3 allows for a slightly larger range of commercial uses and larger maximum size of use for certain commercial uses than NC2. This proposal would not change the NC2 designation of the library site. No change or redevelopment at the library site is anticipated.

Pedestrian Overlay Zone

Parcels fronting NE. 125th St. would retain the existing Pedestrian overlay zone. The pedestrian overlay zone is intended to ensure that commercial frontages and building features that are conducive to a pleasant pedestrian-oriented environment are located in new development that faces certain streets. Prior Lake City community plans called for NE. 125th St. to be a pedestrian oriented street with a P zone and this proposal does not alter the extent of the P zone designation.

Housing Affordability

The most direct effect of this proposal on housing affordability is to encourage redevelopment of the community center and associated housing project. The redevelopment contemplated would yield approximately 113 affordable housing units available to households with incomes at 60% of AMI or below in family-sized homes. The proposed zoning increase is expected to increase the total number of affordable homes by 19 over the 94 that would likely result without the upzone, based on development assumptions. Furthermore, the increased capacity improves efficiency as it would reduce the per-unit public funding by OH by approximately \$6,000 or 2%.

The same type of efficiencies would be realized for redevelopment on other sites in the rezone area that may happen in the future – namely at the Bank of America site. This large, conveniently shaped parcel could accommodate approximately 400 homes. All areas within the rezone will continue to be subject to the City’s Mandatory Housing Affordability (MHA). The current (M) suffix is proposed to be maintained in the rezone, which requires 5% of housing units to be set aside as affordable or an in-lieu payment of \$9.25 per sq. ft. Through MHA, redevelopment at the Bank of America site could be expected to yield approximately 20 affordable homes or \$3.5M of in-lieu payment.

Public Engagement

The Lake City Community Center (LCCC) has been a key part of the neighborhood’s history, serving as a hub for community activities. Formerly operated by the Lions Club and later Seattle Parks and Recreation (SPR) from 2017 to 2023, it brought together people of all ages and cultures despite its small capacity. Community members express the importance of the site as a public gathering place to City of Seattle staff through various channels, especially to Seattle Parks and Recreation (SPR) staff engaged in replacement of the community center.

After a fire in April 2023 led to its closure and demolition in early 2024, plans began for redevelopment. This redevelopment plans to combine a new community center with affordable housing and services near transit, offering multiple benefits to the growing neighborhood. In 2024 a not-for-profit affordable housing provider conducted community outreach regarding their desire to redevelop the affected sites.

The new Lake City Community Center is being designed through a close collaboration between the Development Team and Seattle Parks and Recreation staff. Providing valuable input along the way is the Project Advisory Team (PAT), a dedicated group of Lake City community members who bring diverse ages, experiences, and connections to local organizations. The PAT is closely engaged in the design process and supports the proposed rezone for additional height to accommodate increased housing capacity.

Additional opportunities for public comment is being provided through the SEPA environmental review process. Community members will have the opportunity to comment on the proposed zoning change during the City Council public hearing and City Council deliberation on the proposed action.

State Environmental Policy Act Review (SEPA)

OPCD is issuing a SEPA checklist and a determination of non-significance (DNS) in June of 2025 for the proposed rezone. The decision will be published in the Seattle Daily Journal of Commerce and the City's Land Use Information Bulletin with a 14-day comment period.

Compatibility with Existing Use and Development Pattern

A complete analysis of the SMC rezone criteria is provided below to document whether the rezone is appropriate. In addition, the following provides an overview of the compatibility between uses that could occur under the proposed rezones and the surrounding existing context and land use.

The area is entirely within the Lake City Urban Center as proposed in the One Seattle Plan update and is currently characterized as a Hub Urban Village in the Seattle 2035 Comprehensive Plan. One Seattle Plan Growth Strategy Policy G.S 4.3 provides a description of the planned vision and intent for growth within urban centers relevant to this rezone:

GS. 4.3 Allow a wide range of housing types in Urban Centers. Urban Centers should generally allow buildings of 3 to 8 stories. Buildings greater than 8 stories may be appropriate in Urban Centers near significant transit investments, especially light rail stations, or near existing concentrations of amenities and services.

The proposed rezone to the 85' height limit would facilitate new buildings in the 7-8 story range, consistent with GS 4.3.

The general vicinity of the rezone area is characterized by a wide range of existing land uses and building scales including but not limited to: 2-4 story multifamily residential structures; low-scale office and retail buildings; places of worship; public buildings such as the library; surface parking areas; and a scattering of larger 6-7 story mixed use structures. The 6-7 mixed-use structures in the vicinity are located along Lake City Way NE on the east side of that arterial roadway. The broader Lake City neighborhood includes several large auto dealerships. The Pierre Ford Service and Parts Department is located adjacent to the rezone area directly north of the Bank of America parcel. This varied pattern of existing land uses and scale is typical for an Urban Centers in Seattle. Infill mixed use development of 5-7 stories of wood-framed construction over a 1-2 story base is entirely compatible with and appropriate for the context. A

new-mixed use development would be consistent with the scale and functions of existing activities in the area and would continue the trend of other recent developments in nearby blocks. The only buildings currently on rezone area sites are the Seattle Public Library, which is not expected to change, and the Bank of America local branch buildings and its associated parking.

The following adjacencies are found within the blocks affected by the rezone. The north half of the block adjacent to the Bank of America site is entirely occupied by the Pierre Ford Service and Parts Department. In the block with City-owned land, the 4 story Villager Apartments building is located directly west of the library site, and the Albert Davis Park is located directly west of the part of the site expected for the new community center and housing. To the north of the city-owned land is another a 4-story mixed use multifamily structure with a small studio space for yoga at the ground floor. To the northwest of the rezone area there is a cluster of 1-story structures that appear to house a cross fit gym and an indoor baseball training facility. Potential new development is not expected to cause incompatible adjacencies with the auto parts and services use, or the cross-fit and athletics uses, or the existing mixed-use structure to the north of the community center site.

Interface with Albert Davis Park

The interface of potential new development in the rezone area with the Albert Davis Park could cause some impact on the park. Up to a 7-story mixed use structure is likely to be developed directly east of an active open space public park. Impacts could include shadowing effects on the park at certain times of day and the visual impact of a tall structure located very close to the park. However, any proposed housing and community center project will undergo careful design and is being led by SPR. Any proposed project will undergo review by the Seattle Design Commission. It is expected that this high degree of oversight, and leadership by SPR will result in design choices that minimize potential negative impacts on the park. Possible treatments may include design that allows for direct access and a porous connection between the ground level community center and the adjacent Albert Davis Park space.

Pattern of Zoned Height Limits

With regard to zoned height limits, the proposed rezones would provide a stepped transition from higher intensity commercial zoning to the east along Lake City Way (NC3-95), to the NC-85 zone on the proposed rezone area, then to more moderately scaled mixed use zoning of NC-75 and NC-55 further west. The proposal would also create a stepped series of height limits in the south-to-north direction from the subject parcels down to NC-55 and eventually to residential multifamily zones.

REZONE CRITERIA EVALUATION

Tables below evaluate all SMC rezone criteria relevant to the proposal.

General Rezone Evaluation and Rezone Criteria

SMC	Criterion	Evaluation
23.34.007	Rezone Evaluation	
23.34.007.B	No single criterion or group of criteria shall be applied as an absolute requirement or test of the appropriateness of a zone designation, nor is there a hierarchy or priority of rezone considerations, unless a provision indicates the intent to constitute a requirement or sole criterion.	Noted. Criteria are balanced in this evaluation.
23.34.007.C	Compliance with the provisions of this Chapter 23.34 shall constitute consistency with the Comprehensive Plan for the purpose of reviewing proposed rezones, except that Comprehensive Plan Shoreline Environment Policies shall be used in shoreline environment redesignations as provided in subsection 23.60A.042.C.	Noted. This evaluation is used for Comp Plan consistency analysis.
23.34.008	General rezone criteria	
23.34.008.B	Match Between Zone Criteria and Area Characteristics. The most appropriate zone designation shall be that for which the provisions for designation of the zone type and the locational criteria for the specific zone match the characteristics of the area to be rezoned better than any other zone designation.	The site is already zoned NC2 and NC3 and this designation closely matches the characteristics for this zone as noted below. The height limit is proposed to change.
23.34.008.C	Zoning History and Precedential Effect. Previous and potential zoning changes both in and around the area proposed for rezone shall be examined.	In 2019 the City incrementally rezoned the area to implement MHA.
23.34.008.D	Neighborhood Plans.	
1.	For the purposes of this title, the effect of a neighborhood plan, adopted or amended by the City Council after January 1, 1995, shall be as expressly	The Lake City Urban Design framework from 2016 was the last neighborhood planning document to be prepared for the area. Legislation to change zoning in Lake City to implement the plan was adopted in 2016.

	established by the City Council for each such neighborhood plan	
2.	Council adopted neighborhood plans that apply to the area proposed for rezone shall be taken into consideration.	The neighborhood plan was taken into consideration and this proposal does not deviate from guidance of the plan.
3.	Where a neighborhood plan adopted or amended by the City Council after January 1, 1995 establishes policies expressly adopted for the purpose of guiding future rezones, but does not provide for rezones of particular sites or areas, rezones shall be in conformance with the rezone policies of such neighborhood plan.	The Urban Design Framework provides some guidance for specific zones. This proposal is generally consistent with the plan's guidance but the proposal incrementally increases the height limit over what's included in the plan. OPCD believes this change is consistent with the plan including specific guidance in the plan about enhancing the civic center of Lake City and infill development.
4.	If it is intended that rezones of particular sites or areas identified in a Council adopted neighborhood plan are to be required, then the rezones shall be approved simultaneously with the approval of the pertinent parts of the neighborhood plan.	No amendment to a neighborhood plan is proposed or necessary.
23.34.008.E	Zoning Principles	
1.	The impact of more intensive zones on less intensive zones, or industrial and commercial zones on other zones, shall be minimized by the use of transitions or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred.	A transition between more intensive commercial zoning to the east on Lake City Way (NC-95) and to lower intensity commercial zoning to the west (NC-55) would be created by the proposal. Overall, this makes the transition more gradual.
2.	Physical buffers may provide an effective separation between different uses and intensities of development.	The area is generally flat without major natural physical features. A tapered landscape of height limits is the primary mechanism to achieve transition.
3.	Zone boundaries	
3.a.	In establishing boundaries, the following elements shall be considered: 1) Physical buffers as described in subsection 23.34.008.E.2; and 2) Platted lot lines.	Most of the zone boundaries are at lot lines or street edges. Minor corrections to zone boundaries not at a lot line are a part of this proposal for the parcel owned by Seattle Parks Department. The changes harmonize zone boundaries with the extent of the property for the future

		Community Center and housing development.
3.b.	Boundaries between commercial and residential areas shall generally be established so that commercial uses face each other across the street on which they are located, and face away from adjacent residential areas. An exception may be made when physical buffers can provide a more effective separation between uses.	The proposal would not change the pattern of commercially zoned areas facing each other across streets.
4.	In general, height limits greater than 55 feet should be limited to urban villages. Height limits greater than 55 feet may be considered outside of urban villages where higher height limits would be consistent with an adopted neighborhood plan, a major institution's adopted master plan, or where the designation would be consistent with the existing built character of the area.	The rezone area is within the proposed Lake City Urban Center (proposed in the One Seattle Plan update), and within the existing Lake City Hub Urban Village. Building heights up to 8 stories are appropriate for urban centers according to the One Seattle Plan Comprehensive Plan policy GS 4.3. The current designation as a Hub Urban Village is generally less dense than urban centers, as described in the Seattle 2035 Comprehensive Plan.
23.34.008.F	Impact Evaluation. The evaluation of a proposed rezone shall consider the possible negative and positive impacts on the area proposed for rezone and its surroundings	See below.
F.1	Factors to be examined include, but are not limited to, the following:	See below.
a.	Housing, particularly low-income housing;	The proposed rezone area would have a high likelihood of being developed with rent- and income-restricted affordable housing. There is no existing housing on site and therefore no risk of displacement.
b.	Public services;	Excellent public services are in place as discussed in the SEPA checklist and this Director's Report.
c.	Environmental factors, such as noise, air and water quality, terrestrial and aquatic flora and fauna, glare, odor, shadows, and energy conservation;	Factors were considered and discussed in the SEPA checklist and decision.

d.	Pedestrian safety;	There are sidewalks in place on adjacent streets and improved bus stops within ¼ mile walk on NE 125 th St. and on Lake City Way NE.
e.	Manufacturing activity;	None in the vicinity.
f.	Employment activity;	Future uses on the site are expected to be primarily residential
g.	Character of areas recognized for architectural or historic value;	No historic resources or landmarks are known to be on the site or immediate vicinity.
h.	Shoreline view, public access, and recreation.	There are no views or shorelines in the affected area.
F.2	Service capacities. Development which can reasonably be anticipated based on the proposed development potential shall not exceed the service capacities which can reasonably be anticipated in the area, including:	See rows below.
a.	Street access to the area;	Street access capacity would not be exceeded as discussed in the SEPA checklist and DNS.
b.	Street capacity in the area;	None of these capacities would be exceeded as discussed in the SEPA checklist, and environmental determination.
c.	Transit service;	
d.	Parking capacity;	
e.	Utility and sewer capacity;	
f.	Shoreline navigation;	Not applicable.
23.34.008.G	Changed circumstances. Evidence of changed circumstances shall be taken into consideration in reviewing proposed rezones, but is not required to demonstrate the appropriateness of a proposed rezone. Consideration of changed circumstances shall be limited to elements or conditions included in the criteria for the relevant zone and/or overlay designations in this Chapter 23.34 .	<p>No major changed circumstances to physical conditions on the ground, however, Lake City is proposed as an Urban Center in the proposed <i>One Seattle Plan</i>.</p> <p>The rezone would be compatible and similar to other development in the immediate vicinity, and would meet the proposed densities envisioned for Urban Centers.</p>
23.34.008.I	Critical areas. If the area is located in or adjacent to a critical area (Chapter 25.09), the effect of the rezone on the critical area shall be considered.	No major ones present in the rezone area, see SEPA checklist.
c.	The number of existing single-family structures, not including detached accessory dwelling units, has been very stable or increasing in the last five years, or	There are no single family structures in the rezone area.

d.	The area's location is topographically and environmentally suitable for single-family residential developments.	The parcel size and position in a business district and on an arterial road make it more suitable for mixed use commercial or multi-family use.
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23.34.009		Height limits of the proposed rezone
If a decision to designate height limits in residential, commercial, or industrial zones is independent of the designation of a specific zone, in addition to the general rezone criteria of Section 23.34.008 , the following shall apply:		
A.	Function of the zone. Height limits shall be consistent with the type and scale of development intended for each zone classification. The demand for permitted goods and services and the potential for displacement of preferred uses shall be considered.	The 85' height limit is consistent with the intended scale of mixed use development. There is no risk of residential displacement.
B.	Topography of the area and its surroundings. Height limits shall reinforce the natural topography of the area and its surroundings, and the likelihood of view blockage shall be considered.	The area is generally flat and no views will be blocked by the 85' limit.
C.1	The height limits established by current zoning in the area shall be given consideration.	The existing height limit is 10' less than proposed. Adjacent land to the east along Lake City Way is already zoned with a 95' height limit.
C.2	In general, permitted height limits shall be compatible with the predominant height and scale of existing development, particularly where existing development is a good measure of the area's overall development potential.	Within the neighborhood area there are several existing 5-7 story mixed use buildings, built within the last 25 years. This is the predominant pattern of recent development.
D.1	Height limits for an area shall be compatible with actual and zoned heights in surrounding areas excluding buildings developed under Major Institution height limits; height limits permitted by the underlying zone, rather than heights permitted by the Major Institution designation, shall be used for the rezone analysis.	The proposed 85' height limit is consistent with adjacent property zoned with a 95' height limit and other 75' height limits nearby. Nearby structures on Lake City Way NE are 3 to 8 stories tall.
D.2	A gradual transition in height and scale and level of activity between zones shall be provided unless major physical buffers, as described in subsection 23.34.008.D.2, are present.	A gradual transition in height limits from 95' (NC3-95), to 85 (NC3-85), to 75' (NC3-75), to 55' (NC3-55), to Lowrise zones would be created by the proposal.

E.	Neighborhood plans	The 2016 Lake City Urban Design Framework addresses the rezone area. The plan has been consulted and OPCD determines that the proposed changes are consistent with the vision and intent of the plan.
23.34.072	Designation of commercial zones	
A.	The encroachment of commercial development into residential areas shall be discouraged.	The zone is already NC and would not extend commercial zoning into new areas.
B.	Areas meeting the locational criteria for a single-family designation may be designated as certain neighborhood commercial zones as provided in Section 23.34.010 .	Not applicable.
C.	Preferred configuration of commercial zones shall not conflict with the preferred configuration and edge protection of residential zones as established in Sections 23.34.010 and 23.34.011 of the Seattle Municipal Code	A transition from the NC commercial area to multifamily residential would be provided.
D.	Compact, concentrated commercial areas, or nodes, shall be preferred to diffuse, sprawling commercial areas	The commercial area is contiguous with the existing commercial zones and mixed use center of the neighborhood.
E.	The preservation and improvement of existing commercial areas shall be preferred to the creation of new business districts.	The area is already zoned commercial.
23.34.076	Neighborhood Commercial 3 (NC3) zones, function and locational criteria.	
A.	Function. To support or encourage a pedestrian-oriented shopping district that serves the surrounding neighborhood and a larger community, citywide, or regional clientele; that provides comparison shopping for a wide range of retail goods and services; that incorporates offices, business support services, and residences that are compatible with the retail character of the area; and where the following characteristics can be achieved:	See below.
A.1	A variety of sizes and types of retail and other commercial businesses at street level;	The zone designation would remain NC2 and NC3.
A.2	Continuous storefronts built to the front lot line	The zone would continue to promote a continuous line of storefronts stretching along NE 125 th St.
A.3	An atmosphere attractive to pedestrians;	Streets in the vicinity have wide sidewalks and recent

		pedestrian improvements. The P designation on NE 125 th St. would be retained.
A.4	Shoppers can drive to the area, but walk from store to store	Shoppers could walk from store to store and to nearby institutions including the proposed Community Center and existing public library.
B.	Locational Criteria. A Neighborhood Commercial 3 zone designation is most appropriate on land that is generally characterized by the following conditions:	
B.1	The primary business district in an urban center or hub urban village;	The area is entirely in the Lake City Urban Center.
B.2	Served by principal arterial;	Lake City Way NE two blocks to the east is a principal arterial and is on the frequent transit network.
B.3	Separated from low-density residential areas by physical edges, less-intense commercial areas or more-intense residential areas;	There are not strong edges to buffer residential areas
B.5	Excellent transit service	Transit service is excellent. The 65 and 75 buses run on NE 125 th St. and the 61, 322, 372 and 522 run on Lake City Way NE. All are within ¼ mile walking distance from the rezone area.

CONCLUSION

This proposed rezone is consistent with the SMC rezone criteria as demonstrated in this report, and the Comprehensive Plan. A SEPA Determination of Non-Significance has been issued. The proposal would support important public policy objectives including encouraging affordable housing and it could provide a support to community-based organizations providing services in a future publicly owned Community Center. In addition to supporting policy goals on City-owned land, the proposal would more broadly increase the capacity for infill housing on another parcel not owned by the City of Seattle. The proposed rezone is recommended for approval by the OPCD Director.