

SUMMARY and FISCAL NOTE

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

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to land use and zoning; implementing a major update of Neighborhood Residential zones and modifying development standards in other zones to comply with various state laws; amending Chapter 23.32 of the Seattle Municipal Code at pages 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 98, 99, 100, 102, 103, 104, 105, 106, 107, 111, 112, 113, 114, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 216, 217, 219, 220, and 221 of the Official Land Use Map; amending Chapters 6.600, 14.08, 14.09, 15.32, 21.49, 22.214, 22.801, 22.907, 23.22, 23.24, 23.28, 23.30, 23.34, 23.42, 23.45, 23.47A, 23.48, 23.49, 23.50, 23.51A, 23.51B, 23.53, 23.54, 23.58C, 23.60A, 23.66, 23.72, 23.75, 23.76, 23.80, 23.84A, 23.86, 23.90, 23.91, 25.09, and 25.11 of the Seattle Municipal Code; renumbering existing subsection 23.54.015.K of the Seattle Municipal Code as Section 23.54.037 and further amending the section; renumbering existing subsections 23.54.030.F, 23.54.030.G, 23.54.030.K, and 23.54.030.L as Sections 23.54.031, 23.54.032, 23.54.033, and 23.54.034 and further amending the sections; repealing Chapter 23.44 and Sections 23.34.010, 23.34.012, 23.34.013, 23.34.072, 23.42.130, 23.45.512, 23.45.531, 23.86.010, and 25.09.260 of the Seattle Municipal Code; adding a new Chapter 23.44 and new Sections 23.42.024, 23.42.132, 23.45.519, 23.80.006, 23.80.008, 23.80.010, 25.09.055, and 25.11.025 to the Seattle Municipal Code; and repealing Ordinance 127219.

Summary and Background of the Legislation:

This legislation would implement a comprehensive update of Neighborhood Residential zones to comply with Washington State House Bill 1110 and to meet other goals. House Bill 1110 (also known as the “Middle Housing bill”) requires cities to allow a wider variety of housing types such as duplexes, triplexes, and stacked flats in primarily single-family zones, and places limits on the regulation of middle housing.

This legislation would also implement changes to comply with:

- House Bill 1293 which requires that design standards be “clear and objective”
- Senate Bill 6015 which places limits on requirements for off-street parking

- House Bill 1287 which establishes requirements for electric vehicle charging in new development

This legislation would replace interim regulations currently being considered by City Council to comply with a June 30, 2025, deadline to implement HB 1110.

A summary of the key development standards are shown below:

Maximum density	1 unit per 1,250 square feet of lot area except that, consistent with state law, at least four units are allowed on all lots, regardless of lot size, and six units within a quarter-mile walk of major transit or if two units are affordable
Floor area ratio (FAR)	The amount of floor area allowed is equal to the lot size times the FAR. Proposed FARs are: <ul style="list-style-type: none"> • 0.6 FAR for density below 1/4,000 sq ft (e.g., one unit on a 5,000 sq ft lot) • 0.8 FAR for density between 1/4,000 and 1/2,200 sq ft (e.g., two units on a 5,000 sq ft lot) • 1.0 FAR for density between 1/2,200 and 1/1,600 sq ft (e.g., three units on a 5,000 sq ft lot) • 1.2 FAR for density of at least 1/1,600 sq ft (e.g., four units on a 5,000 sq ft lot)
Lot coverage	50 percent
Height limit	32 feet plus a 5 foot pitched roof bonus
Minimum Amenity area requirement	<ul style="list-style-type: none"> • 20 percent of lot area • The minimum dimension for amenity area is 8 feet or, if the open space includes a circulation pathway serving multiple buildings, 11 feet • Amenity area may be private or shared • At least half of the amenity area must be at ground level. Only half of amenity area not at ground level counts toward this requirement.
Minimum setbacks and separations	<ul style="list-style-type: none"> • Front: 10 feet • Rear: 10 feet without an alley, 5 feet for ADUs, and zero feet with an alley • Side: 5 feet • Separation between buildings within property: 6 feet
Accessory dwelling units	Accessory dwelling units (ADUs) would count toward the density and floor area limits shown above and be subject to the same standards as principal dwelling units except for a maximum size limit of 1,000 square feet plus 250 square feet of garage.
Alternative standards for stacked flats	Stacked flats located on lots 6,000 square feet or greater and within ¼ mile of frequent transit are subject to an FAR of 1.4 and a density of 1 unit per 650 square feet.
Alternative standards for low-income housing	Low-income housing located on lots 6,000 square feet or greater and within ¼ mile of frequent transit are subject to an FAR of 1.8, a height of 42 feet, a density of 1 unit per 400 square feet and a lot coverage of 60%.

The legislation would also amend standards in other zones to comply with other state requirements.

Background

The City of Seattle has been working since 2022 to update our Comprehensive Plan. We are calling the updated plan the One Seattle Plan. The Plan is a roadmap for where and how Seattle will grow and invest in communities over the next 20 years, toward becoming a more equitable, livable, sustainable, and resilient city.

In 2023, the Washington State legislature passed a suite of bills that were intended to increase the production of housing and address our housing affordability crisis. These bills include:

- HB 1110 (also known as the “Middle Housing bill”) which requires cities to allow 4 to 6 units on residentially-zoned lots and a wider variety of housing types such as duplex, triplexes, and stacked flats as well as placing limits on the regulation of middle housing
- HB 1337 which places limits on the regulation of accessory dwelling units
- HB 1293 which places limits on design review processes and requires that design standards be “clear and objective”

The Mayor’s Recommended Plan was transmitted to Council in March 2025. Legislation to implement the Recommended Plan through zoning changes will be transmitted in two phases. This legislation would update development standards in Neighborhood Residential zones and make changes to comply with state law. A second piece of legislation (called “Centers and Corridors”) to implement rezones in neighborhood centers, regional and urban center expansions, and frequent transit routes would be transmitted separately.

The Seattle City Council’s Select Committee on the Comprehensive Plan adopted the following amendments to the legislation:

Amendment 55, Version 1 - Increase ADU size for legacy homeowners in certain zones

Amendment 57, Version 1 - Allowing larger maximum size for ADUs

Amendment 59, Version 1 - Exempt ADUs from Mandatory Housing Affordability

Amendment 61, Version 2 - Expanding affordable housing bonus and extending bonus to social housing

Amendment 63, Version 2 - Expand affordable housing bonus FAR in LR zones

Amendment 65, Version 1 - Allowing stores to be located anywhere in neighborhood residential

Amendment 68, Version 1 - Waiving development standards for internal conversions

Amendment 69, Version 1 - Minimum floor area for development on small lots

Amendment 70, Version 2 - Increasing FAR for densest development and stacked flats

Amendment 71, Version 1 - Clarifying density allowances

Amendment 73, Version 1 - Parcel Rounding

Amendment 75, Version 1 - Require indoor air quality and noise improvements for development near interstates, highways, major truck streets, or railroad rights-of-way

Amendment 77, Version 2 - Cottage housing incentive

Amendment 78, Version 1 - Family Housing Bonus Near Schools

Amendment 79, Version 1 - Bonus for Accessible Units

Amendment 80, Version 2 - Incentivizing balconies on apartment buildings

Amendment 81, Version 1 - Design standards for historic districts
Amendment 83, Version 1 - Rezone a block in Columbia City to Lowrise 2, rather than Lowrise 1
Amendment 85, Version 1 - Amend parking requirements to implement State law
Amendment 87, Version 1 - Tree Protection Parking Waiver
Amendment 90, Version 1 - Expanding Stacked Flat Bonus
Amendment 91, Version 2 - Expanding Stacked Flat Bonus for Trees or Green Factor
Amendment 93, Version 2 - NR tree canopy requirements
Amendment 94, Version 1 - Tree Retention Bonus
Amendment 95, Version 2 - Reduce setbacks on small lots near transit
Amendment 97, Version 2 - Require larger setbacks on Queen Anne Blvd
Amendment 98, Version 1 - Reduce required building separations
Amendment 100, Version 1 - Provide at least one tree per 2,500 square feet of lot area
Amendment 102, Version 3 - Tree Protections: Alternative Site Plan Authority and SDCI
procedural discretion for development that encroaches on tree protection areas
Amendment 104, Version 1 - Provide greater flexibility when trees are protected
Amendment 112, Version 1 - Allow increased height for development with larger setbacks
Amendment 113, Version 1 - Adopt State model code requirements for setbacks

On December 16, the City Council further amended the bill to adopt a substitute version, 4a of the bill, which included a number of technical corrections and edits to the bill, including:

- Redrafting sections of the code that were amended by multiple amendments so that they are as clear as possible;
- Restoring provisions that were inadvertently deleted, such as continuing to allow Accessory Dwelling Units to be located in rear setbacks;
- Maintaining consistency in language and policy intent across the land use code;
- Updating references to regional centers and urban centers;
- Adding references to new code sections;
- Incorporating changes that were made by bills adopted since the introduction of Council Bill 120993; and
- Correcting typos.

In particular, the substitute:

1. Increases the new family housing bonus in Neighborhood Residential (NR) zones to be consistent with other FAR bonuses. With all of the different changes to the FAR section, it ended up that family housing would have a lower FAR limit than other housing types, which was the opposite of the intention of that provision. (Section 23.44.050)
2. Allows pitched roofs and other rooftop features to extend above the roof for projects in NR zones where 42 foot roof heights are allowed. Currently these features are allowed above 32 foot roofs. Version 4a extends that longstanding provision to the higher height limits that the Committee's bill allows. (Section 23.44.070)
3. Limits the flexibility that will be provided to projects that include Type A accessible units to projects with less than 10 stacked dwelling units. Projects with 10 or more units are already required to have ADA-compliant units. (Section 23.44.080)

4. Adds setback limits that would apply to nonresidential structures, like churches or schools, in NR zones. (Section 23.44.090)
5. Amends the setback limits to allow detached ADUs within 5 feet of the rear lot line in NR zones, consistent with current regulations. (Section 23.44.090)
6. In Lowrise (LR) zones, allows “corner stores” to be located on any lot, consistent with the Committee’s direction for NR zones (Section 23.44.110)

2. CAPITAL IMPROVEMENT PROGRAM

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

☐ Yes ☒ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City?

☒ Yes ☐ No

This legislation will not have any direct impacts to expenditures, revenues, or positions. However, it would have the following indirect impacts:

Tax Base

The legislation is likely to increase the construction of housing in Neighborhood Residential zones. Increased housing construction would bring in additional tax revenue directly through increased construction sales tax and REET tax and indirectly through an increase in property taxes and the number of residents in Seattle. While we don’t have an estimate of likely increases in housing and population, the Environmental Impact Statement for this legislation and the Centers and Corridors legislation analyzed the impact of 40,000 additional homes over 20 years. About half of these homes were in Neighborhood Residential zones.

Permit Review

This legislation is likely to increase the number of permits for housing that the City has to review but would also make changes to simplify the existing code. Increased permit review would be paid for by the permit fees on the additional volume of permits.

Information Technology, Education, & Outreach

Implementation of this legislation will require updating of zoning maps, GIS layers, websites, director’s rules, and other public materials as well as minor changes to the software tracking tools such as Accela to account for new zone names. It is expected that this work will be accomplished using existing staff resources; however, if implementation occurs after June 30, 2025 when SDCI staffing resources will significantly decrease due to budget cuts, SDCI may seek to hire a short-term employee to assist with the implementation process and a separate budget request may be necessary. A memo prepared by SDCI is attached to this document with greater detail and cost estimates. Technology update costs outlined in the memo would be paid by SDCI from existing permit fees through an existing MOU with IT. Language translation costs outlined in the memo would be paid by SDCI permit fees most likely to DON through an existing process. Material update costs outlined in the memo would be paid for by SDCI permit fees.

4. OTHER IMPLICATIONS

- a. Please describe how this legislation may affect any departments besides the originating department.**

Fiscal impacts, described herein, are primarily on permitting departments including the Seattle Department of Construction and Inspections (SDCI), Department of Transportation (DOT), Seattle Public Utilities, (SPU), Seattle City Light (SCL), Seattle Fire Department (SFD), and the Department of Neighborhoods (DON).

- b. Does this legislation affect a piece of property? If yes, please attach a map and explain any impacts on the property. Please attach any Environmental Impact Statements, Determinations of Non-Significance, or other reports generated for this property.**

The legislation will apply to Neighborhood Residential Zones throughout Seattle. Neighborhood Residential zones represent about 2/3rds of Seattle. It would also have minor impacts on development regulations in other areas.

- c. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**

- i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**

This legislation would help address multiple equity issues by:

- reducing the cost of housing by increasing the supply of housing in order to address the competition for housing which is driving price increases
- allow for more home ownership opportunities in parts of Seattle where only detached homes and accessory dwelling units are currently allowed
- implement an affordable housing bonus in NR zones to support the development of this type of housing in areas where affordable housing is lacking.

- ii. Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.** A summary of racial equity analysis is attached.

- iii. What is the Language Access Plan for any communications to the public?**
SDCI will provide a summary of the updated standards in the languages specified in their office's language access plan.

d. Climate Change Implications

- i. Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

This legislation will tend to encourage housing within Seattle compared to areas outside of Seattle. Consequently, it will help to reduce carbon emissions from transportation by locating new households in areas of transit, employment, and amenities.

- ii. 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 is not expected to substantially affect Seattle's resiliency.

- e. 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)? What mechanisms will be used to measure progress towards meeting those goals?**

This legislation would implement the Mayor's proposed One Seattle Plan. No new initiative or major programmatic expansion is proposed.

5. CHECKLIST

- ☒ **Is a public hearing required?**
- ☒ **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required?**
- ☐ **If this legislation changes spending and/or revenues for a fund, have you reviewed the relevant fund policies and determined that this legislation complies?**
- ☐ **Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

6. ATTACHMENTS

Summary Attachments:

Summary Attachment 1 - SDCI Implementation Cost Memo

Summary Attachment 2 - One Seattle Plan RET Summary Report