

August 16, 2024

#### MEMORANDUM

To: Land Use Committee From: Lish Whitson, Analyst

Subject: CB 120823 – 2024 Land Use Omnibus Bill

On September 4, the Land Use Committee will receive a briefing and hold a public hearing on Council Bill (CB) 120823, the 2024 Omnibus bill. Approximately every other year the Seattle Department of Construction and Inspections (SDCI) develops an omnibus bill amending the Land Use Code (LUC) and related sections of the Seattle Municipal Code (SMC). Generally, the omnibus bill corrects typographical errors and cross-references, clarifies existing regulations, and makes other minor amendments identified by SDCI in the course of Code administration. While the omnibus bill is not intended to be a vehicle for addressing significant policy issues, inevitably the omnibus does result in some minor policy changes.

In the 2024 Omnibus, most changes are technical, primarily amending the Land Use Code to update terminology or fix outdated references. Many amendments either replace the term "marijuana" with "cannabis," update references to the categories of trees included in Ordinance 126821, 2023's tree regulation ordinance, or clarify language in accordance with Ordinance 126821.

This memorandum identifies and discusses: (1) areas where CB 120823 departs from prior policy decisions made by the Council or there are considerations that Central Staff has identified with the proposal; (2) other substantive changes included in the proposed bill that are consistent with prior Council actions; and (3) proposed amendments that are required due to changes to Washington State law.

#### **Departures from Prior Policy Choices and Potential issues**

Bill	Discussion
Sections	
17	Basement Floor Area Exemptions
	Amendments to SMC 23.45.510, related to multifamily floor area regulations,
	would broaden an exemption that allows daylight basements to be exempt from
	limits on floor area in Lowrise zones. Currently the exemption applies to
	apartments. For rowhouses and townhouses the exemption applies only when all
	parking is located behind or within a structure.
	These amendments would expand the exemption to apply to other housing types,
	such as congregate housing, assisted living facilities and nursing homes, single
	family houses and cottage housing. Under Revised Code of Washington (RCW)
	36.70A.535, the City is required to treat congregate housing the same as other

Bill	Discussion
Sections	
	multifamily housing types and must adopt these provisions as they apply to
	congregate housing by December 31, 2025.
	Considerations. To an accompany the development of a magnetic production friendly.
	Considerations: To encourage the development of a more pedestrian-friendly
	streetscape, Councilmembers may want to apply the rules for townhouses and rowhouses (i.e., exemption applies only when all parking is located behind or
	within the structure) to single family houses and cottage housing.
23	Grocery Store Floor Area Exemptions
23	This amendment to SMC <u>23.47A.010</u> , related to the maximum size of
	nonresidential uses in commercial zones, would allow back-of-house functions of a
	grocery store – storage rooms, administrative offices, etc. – to be exempt from
	floor area limits in Neighborhood Commercial (NC) zones. This applies in NC1
	zones, where most commercial uses are limited to 10,000 square feet and existing
	grocery stores are limited to 23,000 square feet, and NC2 zones, where
	commercial uses including grocery stores, are limited to 50,000 square feet.
	The amount of floor area that could be exempt from size limits would equal
	approximately 3,000 square feet for new grocery stores in NC1 zones, 6,900
	square feet for existing grocery stores in NC1 zones, and 8,500 square feet for
	grocery stores in NC2 zones.
	Considerations: To simplify regulations and allow for flexibility in how grocery
	stores choose to organize their space, the Council could instead allow grocery
	stores to be larger generally, rather than limiting the additional floor area to back-
	of-house functions.
27	SM-SLU 175/85-280 Height Limit Exceptions
	This amendment to SMC <u>23.48.225</u> , related to height limits in South Lake Union,
	would amend a special height exception that applies in the Seattle Mixed-South
	Lake Union 175/85-280 (SM-SLU 175/85-280) zone. A map of the zone is included
	as Attachment 1.
	Currently, in this zone a project that preserves open space and includes two non-
	residential towers on one block is permitted to exceed the applicable height limits.
	The code provides for different heights where there are two non-residential
	towers and different heights where there are two residential towers on a block.
	The provisions were <u>adopted</u> in 2019, and were drafted to support development
	that commits to preserve the "Seattle Times Park" or "Onni Park" at the southwest corner of Fairview Avenue and John Street N.
	Corner of Fairview Avenue and John Street N.

Bill	Discussion
Sections	
	This amendment would still require that two non-residential towers be built on a block. But height limits would be changed. A non-residential tower closer to the eastern block front would be allowed up to 190 feet tall. A residential tower on the northwestern portion of a block front would be allowed up to 440 feet tall (up from 360 feet), with a 125-foot podium. Non-residential towers on other portions of the block would be limited to 175 feet (down from 208 feet) and residential towers on other portions of the block would be limited to 280 feet (down from 320 feet).
	Considerations: SDCI has been unable to confirm whether there are any projects that have already been built or permitted under the existing regulations, so it is unclear whether these changes would impact any existing projects. To prevent possible non-conformities, the Council could instead add the new limits as an alternative to the existing provisions, rather than replacing the existing provisions. However, doing so would add complexity to an already complex code.
28	SM-UP 160 Non-residential FAR  This amendment to SMC 23.48.720, related to floor area ratios in Uptown, would allow taller non-residential buildings on blocks in the Uptown neighborhood that have the monorail running through them. The Seattle Mixed Uptown 160 (SM-UP 160) zone (see Attachment 2) allows a maximum Floor Area Ratio (FAR) of 7.0 for structures with residential uses, 7.0 FAR for nonresidential structures with heights below 125 feet, and 2.0 FAR for nonresidential structures with a height above 160 feet. The Uptown neighborhood supported this mix of height limits and FARs to encourage mixed-use development, including both residential and non-residential development in this area.
	An application has been filed for development of a hotel at the northwest corner of Denny Way and 5th Avenue N. This parcel has the monorail running through it and would not be able to accommodate 7.0 FAR in a 125-foot structure. The proposed bill would allow non-residential structures up to 7.0 FAR and 160 feet for lots that have a monorail running through them.
	Considerations: Because this proposed change is inconsistent with the intent of the Uptown community for the SM-UP 160 zone, the Council may want to consider removing this change. If the current provisions are maintained, a residential or mixed-use project would be the most likely type of development in this location.
33	Downtown Tower Vesting Rules  Downtown zones include tower spacing requirements intended to maintain light and air to occupants of towers. When multiple towers on a block are proposed, SMC 23.49.058 includes regulations that identify the first of those tower

Bill	Discussion
Sections	
	proposals. The first tower proposal is allowed to move forward providing that the applicant for the first tower proposal continues to pursue permits. Specifically, the first proposed tower to submit an Early Design Guidance (EDG) package is considered "existing" for the purposes of the tower spacing rules. They do not need to proceed directly to an EDG meeting. Once there is an EDG meeting, then the tower proposal has up to 90 days to file their Master Use Permit application (MUP) to continue to be considered an existing tower.
	Under the current regulations, an applicant can indefinitely delay having an EDG meeting and have a project maintain "existing" status, thereby constraining options for other proposed tower projects on the same block, including precluding tower development on nearby sites. The bill proposes to clarify and tighten those requirements by requiring the applicant to file a complete application for a MUP within 12 months of filing their complete EDG application, even if an EDG meeting has not occurred.
	Considerations: This change could mean some Downtown tower projects that have submitted EDG proposals but not had their EDG meeting may lose their status as an existing building for the purpose of applying the tower spacing rules if they are not actually ready to begin the permitting process. On the other hand, other tower projects on the block that are ready to begin the permitting process would then be able to move forward.

## Other Substantive Changes Consistent with Previous Council Actions

Bill	Discussion
Sections	
30	DMR/R Hotel Height Limits  This would adjust the height limits for hotels in the Downtown Mixed Residential/Residential 95/65 (DMR/R 95/65) zone in Section 23.49.008, related to downtown height limits. Currently the zone has a height limit of 95 feet for residential uses and 65 feet for non-residential uses. Under the proposed amendment, hotels would also be able to be built to 95 feet. This is consistent with changes that the Council made last year in adopting Ordinance 126914. That ordinance exempted lodging in this area from FAR limits. The result of this bill
	would be to allow an additional three stories of hotel space on lots in the DMR/R zone in Belltown.
33	3rd and Union podium heights
	This change to SMC 23.49.058 would allow taller podium heights for development
	on one block along 3rd Avenue Downtown. This block, located between Union
	Street and Pike Street, was rezoned to DMC 240/290-440 under Ordinance

Bill	Discussion
Sections	
	120632. The proposed amendment would provide flexibility for development on
	this block, allowing an 85-foot-tall podium for future structures on the block,
	rather than requiring the podium to match the height of existing structures on the
	block. This proposal was brought up during the discussion of Ordinance 120632
	but was raised too late to include in that bill.

### **Changes required under State Law**

Bill	Discussion
Sections	
11 and	Household size
60	Changes to SMC 23.42.060 related to short-term rentals and the definition of
	household in SMC 23.84A.016 remove limits on household size for dwelling units
	that include a short-term rental unit. Revised Code of Washington (RCW)
	35.21.682 prohibits the City from limiting the number of people in a household.
21	Accessory Dwelling Units
	SMC <u>23.45.545</u> , related to standards for accessory uses in multifamily zones,
	would be amended allow to Accessory Dwelling Units (ADUs) for single-family,
	townhouse and rowhouse units in all zones where those uses are allowed. The
	amendment implements RCW <u>36.70A.681</u> , which states that the City must allow
	up to two ADUs in all zones where single-family houses are permitted.
	Additional amendments to this sections will be required to bring Seattle's code in
	line with the requirements of RCW 36.70A.681. For example, the RCW requires
	that the City allow two detached ADUs, rather than the one detached ADU
	currently permitted in Seattle. We anticipate that the Council will receive
	legislation to make these changes in 2025.
65 and	Review of Parking under SEPA
66	Amendments to SMC <u>25.05.444</u> , listing elements of the environment under the
	State Environmental Policy Act (SEPA) and SMC <u>25.05.675</u> related to SEPA policies,
	remove parking as an element of the environment that is required to be analyzed
	under SEPA. The Washington State Legislature directed the Washington State
	Department of Ecology to amend WAC <u>197-11-444</u> , which lists the elements of the
	environment that jurisdictions need to analyze when SEPA review is required, to
	remove parking as an element of the environment to be studied. Subsequently,
	the City has removed parking from the list of topics to be analyzed on its SEPA documents.
	documents.
	Amendments in these sections of the bill implement this change to the WAC by
	removing parking from the list of elements of the environment that need to be
	analyzed under SEPA in Seattle.

#### **Next Steps**

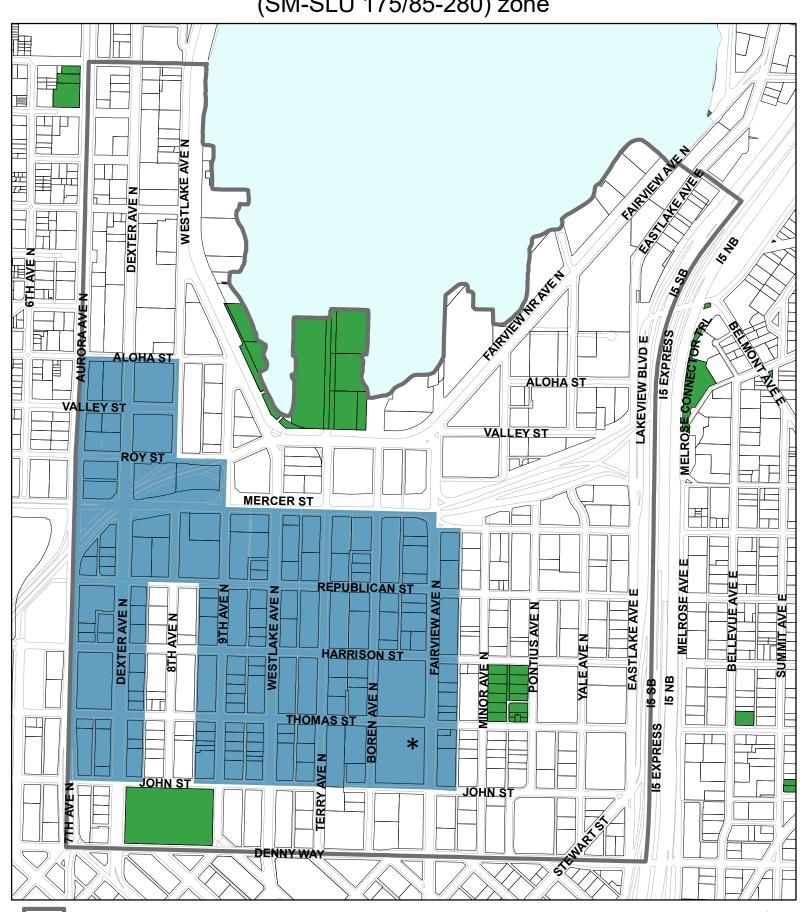
The Land Use Committee will hold a public hearing on CB 120823 on September 4, at 2:00. The committee is currently scheduled to vote on the bill at its September 18 meeting. A vote on September 18 would allow for the City Council to vote on the bill on September 24.

#### **Attachments**

- 1. SM-SLU 175/85-280 zone
- 2. SM-UP 160 zone

cc: Ben Noble, Director Yolanda Ho, Deputy Director

## Seattle Mixed-South Lake Union 175/85-280 (SM-SLU 175/85-280) zone



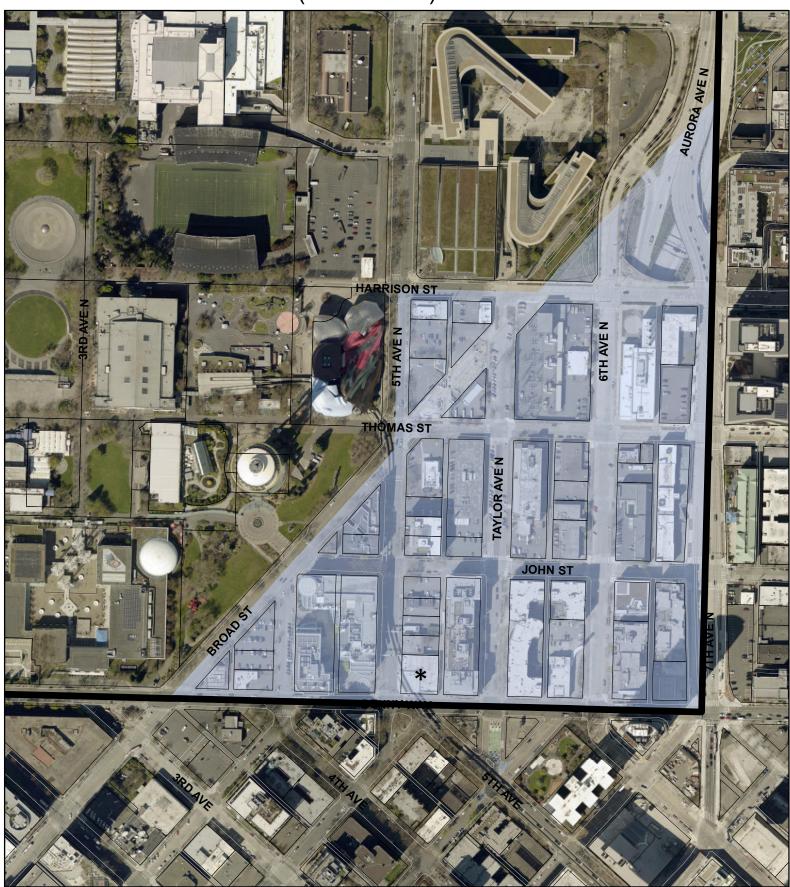
South Lake Union Urban Center

SM-SLU 175/85-280 \* "Onni Park"

0 0.05 0.1 0.2 Miles



# Seattle Mixed-Uptown 160 (SM-UP 160) zone



Uptown Urban Center

0 0.025 0.05

0.1 Miles