

**1. Project number**

3021980

**2. Subject property address**

1600 Dexter Avenue North (Parcel No.8807900200)

1612 Dexter Avenue North (Parcel No. 8807900210)

**3. Existing and proposed zoning classification**

The site is currently zoned NC3P-40; proposed zoning is NC3P-65.

**4. Approximate size of property to be rezoned.**

The parcel size is 13,785 s.f.

**5. Environmentally Critical Area (ECA) Information**

The site includes a small portion of a steep slope ECA. Much of the site is within the Potential Slide Area ECA. A request for Relief from Prohibition on Steel Slope Development has been approved under project number 6505550.

**6. Applicant information**

Owner: Brook V, LLC

Applicant: Jill Burdeen, Nicholson Kovalchick Architects

Contact information is already listed in contacts under Project 3021980.

**7. Property legal description**

Assessor Parcel Nos. 8807900200 and 8807900210

LOTS 6 AND 7, BLOCK 6, UNION LAKE SUPPLEMENTAL ADDITION TO THE CITY OF SEATTLE, W.T., ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGE 177, IN KING COUNTY, WASHINGTON;

EXCEPT THE WEST 18.21 FEET THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 61981 FOR DEXTER AVENUE, AS PROVIDED BY ORDINANCE NO. 17628 OF THE CITY OF SEATTLE.

**Present use of property**

Present use of the property is small office space and studio space.

**8. What structures will be demolished or removed?**

The existing buildings will be demolished.

**9. What are the planned uses for the property if a rezone is approved?**

A six-story mixed-use building consisting of approximately 5,000 s.f. of commercial space and 88 residential units. Parking for 54 vehicles would be provided below grade.

**10. Does a specific development proposal accompany the rezone application?**

Yes, see Master Use Permit plans; this is a contract rezone.

**11. Reason for the requested zoning classification and/or new use.**

The project site is currently zoned NC3P-40. The project is seeking a contract rezone to NC3P-65 to provide a more contextual density and massing transition from the C2-65 zone to the south and NC3-65 zone to the east. The additional height allows the building to closely relate to the scale of adjacent existing structures, provide more affordable dwelling units, increase residential density in the area, and respond more appropriately to the site's topography. The project will designate 6% of the dwelling units as affordable housing for residents with incomes below 60% of AMI (area median income).

**13. Anticipated benefits the proposal will provide.**

The rezone would contribute to the City's housing supply and would replace an underutilized office building with a pedestrian-oriented, well designed building. In general this benefits the City by allowing more people to live closer to their places of work. The proposal will also implement the currently proposed MHA-R affordable housing amounts (6% of units at 60% AMI). Affordable housing is a benefit to the community.

**14. Summary of potential negative impacts of the proposal on the surrounding area.**

An appropriate height, bulk and scale for the transitioning properties to the north has been a key design consideration. The proposal steps its massing down the hill with the existing topography and similar to the rest of the surrounding context. In addition, it includes a lobby courtyard facing Dexter that will reduce the street wall effect along that corridor. The proposal will generate typical traffic and parking demand; these items have been studied by the traffic and parking analysis that has been submitted to the City.

**15. List other permits or approvals being requested in conjunction with the proposal:**

SEPA determination, design review approval, and zoning approval are being requested in conjunction with this proposal. Building permits and Street Improvement Permit, as well as various other Civil permits (side sewer permit, for example) will be required to actually construct the proposal.

**16. Written analysis of rezone criteria (code criteria are in italics):**

In order to obtain a rezone, the applicant must demonstrate that the rezone proposal will meet the applicable criteria of the Seattle Municipal Code, SMC 23.34.007. Compliance with that section includes analysis of the following code sections:

- SMC 23.34.008 General Rezone Criteria
- SMC 23.34.009 Height limits of the proposed rezone

**SMC 23.34.004 Contract Rezones.**

*A. Property Use and Development Agreement. The Council may approve a map amendment subject to the execution, delivery, and recording of a property use and development agreement (PUDA) executed by the legal or beneficial owner of the property to be rezoned containing self-imposed restrictions upon the use and development of the property in order to ameliorate adverse impacts that could occur from unrestricted use and development permitted by development regulations otherwise applicable after the rezone. All restrictions imposed by the PUDA shall be directly related to the impacts that may be expected to result from the rezone. A contract rezone shall be conditioned on performance or compliance with the terms and conditions of the PUDA. Council may revoke a contract rezone or take other appropriate action allowed by law for failure to comply with a PUDA. The PUDA shall be approved as to form by the City Attorney, and shall not be construed as a relinquishment by the City of its discretionary powers.*

The subject application is for a contract rezone; a PUDA will be developed as part of the City Council review.

*B. Waiver of Certain Requirements. The ordinance accepting the PUDA may waive specific bulk or off-street parking and loading requirements if the Council determines that the waivers are necessary under the agreement to achieve a better development than would otherwise result from the application of regulations of the zone. No waiver of requirements shall be granted that would be materially detrimental to the public welfare or injurious to property in the zone or vicinity in which the property is located.*

The applicant does not seek a waiver from bulk or off-street parking and loading requirements. Any departures from Code standards will be addressed through the Design Review process.

**SMC 23.34.007 Rezone evaluation.**

*A. The provisions of this chapter apply to all rezones except correction of mapping errors. In evaluating proposed rezones, the provisions of this chapter shall be weighed and balanced together to determine which zone or height designation best meets those provisions. In addition, the zone function statements, which describe the intended function of each zone designation, shall be used to assess the likelihood that the area proposed to be rezoned would function as intended.*

*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.*

No provision of the rezone criteria establishes a particular requirement or sole criterion that must be met for rezone approval. Thus, the various provisions are to be weighed and balanced together to determine the appropriate zone designation for the property.

**SMC 23.34.008 General rezone criteria.**

A. *To be approved a rezone shall meet the following standards:*

1. *In urban centers and urban villages the zoned capacity for the center or village taken as a whole shall be no less than one hundred twenty-five percent (125%) of the growth targets adopted in the Comprehensive Plan for that center or village.*

2. *For the area within the urban village boundary of hub urban villages and for residential urban villages taken as a whole the zoned capacity shall not be less than the densities established in the Urban Village Element of the Comprehensive Plan.*

The site is not located in an urban village.

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 property is currently zoned NC3P-40. The proposed change is to rezone the property to NC3P-65. Please see the functional and locational criteria analyses for the relevant zones below.

C. *Zoning History and Precedential Effect. Previous and potential zoning changes both in and around the area proposed for rezone shall be examined.*

The Property has not recently been rezoned. A contract rezone to rezone a property located at 1511 Dexter Avenue North from NC3P-40 to NC3P-65 for an affordable housing project was just approved (August 8, 2016) by the City Council (see Project No. 3015682). This rezone is just across Dexter Avenue North to the southwest of the project site. The Mayor has stated that neighborhoods will eventually be upzoned via the MHA-R process which will essentially add 10 feet of height to all properties. Timing for the MHA-R rezone is proposed for sometime in 2017.

The project team will need assistance from SDCI studying the zoning history of the site.

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 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.*

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.*

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.*

The Queen Anne neighborhood plan was adopted in 1999 and is a part of the Comprehensive Plan. It does not specifically address land uses on the subject property or in this specific neighborhood, other than to identify Dexter Avenue North as a bicycle beltway.

The proposal is consistent with the adopted Queen Anne Neighborhood Plan. Specifically, the proposal furthers the following goals and policies of the Neighborhood Plan (see emphasized text and comments in parentheses):

QA-P1. Seek to create and maintain attractive pedestrian-oriented streetscapes and enhance Queen Anne's community character with open space, street trees, and other vegetation. (The project will redevelop the project site with an attractive pedestrian oriented mixed use development. The project will include improvements to the pedestrian environment, ground level commercial uses, overhead weather protection, landscaping, and seating.)

QA-P2. Preserve the character of Queen Anne's single-family and mixed-use neighborhoods. (As shown in the materials submitted in connection with Early Design Guidance and the application for Design Review, the project is consistent with the established character of this commercial and mixed use neighborhood and will redevelop an underutilized property.)

QA-P3. Seek to maintain and establish quality design in the Queen Anne area. Through neighborhood design guidelines and design review, consider unique or particular local design characteristics, and include consideration of signage, adjacent public ROWs, and historic boulevards. (The project will redevelop the existing site with a high quality mixed use building, which will obtain recommendation of approval from the Design Review Board).

QA-P5. Encourage an attractive range of housing types and housing strategies to retain Queen Anne's eclectic residential character and to assure that housing is available to a diverse population. (The project provides more housing than is currently on-site, consisting of studio, urban one-bedroom, one-bedroom and two-bedroom units).

QA-P9. Enhance the unique character of each business district. (The project is consistent with and enhances the existing character of its neighborhood.)

QA-P11: Provide for an attractive and harmonious transition between different land uses, including commercial areas and single-family areas. (The project includes needed housing and infills a surface parking lot).

QA-P40. Strive to provide urban character-enhancing improvements to Queen Anne's streets such as sidewalk improvements, transit facilities, landscaping, and appropriate lighting. (The project includes urban character enhancing improvements to the streets, including ground-level commercial space, overhead weather protection, and landscaping.)

QA-P41. Seek to alleviate parking problems in the Queen Anne planning area. (The project provides sufficient parking to meet the needs of its residents).

QA-P42. Strive to ensure adequate facilities, such as lighting, for safety in pedestrian and parking areas in Queen Anne's business districts. (The project will bring additional residents

to the neighborhood, contributing to more “eyes on the street.” In addition, the project is designed with safety in mind and will include lighting and other features as appropriate).

QA-P43. Strive to ensure that Queen Anne’s commercial areas and business districts are safe from crime. (The project will contribute to a safe environment by bringing residents to the area and by incorporating appropriate design features.)

QA-P44. Strive to find solutions to the parking needs of Queen Anne’s business districts. (The project will include sufficient parking to meet the needs of the project tenants.)

E. *Zoning Principles. The following zoning principles shall be considered:*

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.*
2. *Physical buffers may provide an effective separation between different uses and intensities of development. The following elements may be considered as buffers:*
  - a. *Natural features such as topographic breaks, lakes, rivers, streams, ravines and shorelines;*
  - b. *Freeways, expressways, other major traffic arterials, and railroad tracks;*
  - c. *Distinct change in street layout and block orientation;*
  - d. *Open space and green spaces.*

The subject property is surrounded by property zoned NC3P-65 to the east, south, southwest, and northwest. The zoning is NC3P-40 across Dexter Avenue North (an 80’ foot wide right-of-way) to the west and adjacent to the site to the north. The property shares a boundary line with the adjacent NC3P-40 zoned property to the north, which is already developed with a five-story apartment building.

The property also experiences a 27-foot grade change sloping from west to east. The proposed structure steps down the hill with the topography, allowing for lesser view blockage and permitting for a large roof deck taking advantage of the views of Lake Union.

Lastly, the street-level commercial uses add a softening element to ease the transition to the north through the inclusion of live-work units at the north end, which are typically occupied by less intensive commercial uses due to the smaller nature of the spaces. The larger commercial space at the southwest corner of the project is in direct relation to the large commercial building immediately south of the project, across Garfield Street.

Combined with the physical buffers the proposal results in a gradual and sensitive transition between zoning categories and height limits.

3. *Zone Boundaries.*
  - a. *In establishing boundaries the following elements shall be considered:*
    - (1) *Physical buffers as described in subsection E2 above;*
    - (2) *Platted lot lines.*

Zone boundaries would continue to follow platted lot lines and/or street rights of way.

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 entire block face facing Dexter Avenue North is zoned NC3P, facing away from adjacent residential areas.

4. *In general, height limits greater than forty (40) feet should be limited to urban villages. Height limits greater than forty (40) 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 site not located within an urban village. However, the immediate existing context for the project site is a 65-foot height. Even the existing development directly adjacent to the project site to the north that will remain NC3P-40 is developed with a five-story apartment building that is a relic of a former zoning designation.

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.*

1. *Factors to be examined include, but are not limited to, the following:*

a. *Housing, particularly low-income housing;*

The proposal does not displace any existing housing but replaces an office building and associated parking lot. In addition, the proposal will comply with the MHA-R legislation (see SMC Chapter 23.58) to provide affordable housing on the project site. The project will comply with the “performance” option that will be required for the area which includes the provision of 6% of the total units on-site affordable to households at 60% AMI for the life of the building. The total number of units on-site provided at 60% AMI will be 6 units (the project is planned for 86 residential units multiplied by 6% is 5.16 units—rounded up is 6). If the project decides to round down and provide on-site 5 units, it will pay the square footage difference in the in-lieu fee that is yet to be determined by City Council but is currently estimated at \$13.25/s.f. The affordable units will be proportionately distributed throughout the building and among the product types and will be restricted by recorded covenant for a period of 75 years. In addition, the project will provide an additional 14% of the on-site units affordable to households at 65-85% AMI as part of the MFTE program. These units will be restricted by recorded covenant for a period of 12 years. The total number of units provided at the 65-85% level is 12 units (the project is planned for 88 residential units multiplied by 14% is 12.04 units). These 12 units will be proportionately distributed among the product types. Two live/work units have been included in this calculation. All of the affordable housing programs and unit counts will be confirmed and finalized as the project progresses through the entitlement process. All of the unit counts and allocations are subject to change as the project evolves through the design process, but the provision of MHA-R and MFTE are intended to be met.

b. *Public services;*

Public services will be available to the project due to its location in a highly developed urban area. No appreciable impacts to public services are anticipated due to the additional housing made possible by the zone change. The project has obtained confirmation that adequate water, sewer, stormwater, and electrical services exist to serve the proposed project. The PAR is part of the MUP record reflecting these adequacies.

*c. Environmental factors, such as noise, air and water quality, terrestrial and aquatic flora and fauna, glare, odor, shadows, and energy conservation;*

The proposed rezone will allow two stories of additional height and will include additional street-level retail/commercial uses as what currently exists on site. The proposed project will not create appreciable negative environmental impacts associated with allowing additional housing at this urban site. The additional story will not appreciably increase shadow impacts; the only shared lot line condition is to the north of the proposal which significantly minimizes any potential shadow impacts. Please see the comparative shadow study submitted as part of the Early Design Guidance packet on page 34. The proposed materials for the building will be reviewed by the Design Review Board and will not produce glare. No odor- or noise-producing uses are proposed as part of the project; should a restaurant become part of the commercial space, it will be vented to the roof.

*d. Pedestrian safety;*

The area is currently developed with sidewalks, street lights and crosswalks and will continue to be so developed as part of the proposal. The project will increase the amount of space for pedestrians by setting the building back from the property line. The proposal includes a 1-foot dedication and substantial street improvements, including new curb, sidewalk and planting strip, on Garfield Street and generous setbacks, planting strips, and overhead weather protection along Dexter Avenue for pedestrian comfort.

*e. Manufacturing activity;*

Not applicable.

*f. Employment activity;*

Not applicable, although the street level commercial uses may employ some people on-site, depending on the use that is established.

*g. Character of areas recognized for architectural or historic value;*

A SEPA Appendix A report has been prepared for the building currently occupying the site. The building is not listed on the City's historic building survey as warranting landmark nomination. The Appendix A report will be reviewed by the Department of Neighborhoods to confirm no landmark nomination is necessary; it is unlikely to be necessary.

There are no designated landmarks surrounding the project site, nor are there any properties listed for potential landmark status surrounding the project site.



*b. Shoreline view, public access and recreation.*

The proposal is carefully stepped down the hillside so it does not negatively impact nearby shoreline views. Because all of the properties step up/down the hill, shoreline views are fairly protected in the area. No public access or recreational opportunities are being changed as part of the proposal. The project will increase recreational opportunities for on-site residents by adding a rooftop deck to the site.

*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:*

- a. Street access to the area;*
- b. Street capacity in the area;*
- c. Transit service;*
- d. Parking capacity;*
- e. Utility and sewer capacity;*
- f. Shoreline navigation.*

A traffic and parking study has been prepared and submitted to address these items. No capacity or access issues have been identified to exist as a result of the proposal's traffic generation or parking generation. In addition, no major transit capacity issues have been identified associated with the project.

With respect to utility and sewer capacity, a Water Availability Certificate has already been Approved with No Changes (reference number 20151346), and no issues of water or sewer capacity are anticipated given infrastructure upgrades implemented by SPU.

Item "P" on Shoreline Navigation is not applicable.

*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.*

There are obvious changed circumstances in the area given that the City is proposing a rezone in this area in 2017 to implement the MHA-R affordable housing legislation. In addition, the contract rezone approved by the City Council kitty-corner from the project site, to the south-west, from NC3P-40 to NC3P-65 also shows changed circumstances in that property is being generally upzoned in the area. Changed circumstances in the City generally exist in that thousands of new residents are moving to the City of Seattle and need a place to live.

*H. Overlay Districts. If the area is located in an overlay district, the purpose and boundaries of the overlay district shall be considered.*

The site is not located within an Overlay District.

I. *Critical Areas.* If the area is located in or adjacent to a critical area (SMC Chapter 25.09), the effect of the rezone on the critical area shall be considered.

The site is located in a steep slope critical area and a potential slide critical area. Critical areas review will be required as part of MUP review however, a Request for Relief from Prohibition on Steep Slope Development was approved under project number 6505550. In general, slope stability will be the same or will increase due to redevelopment of the site; stormwater will be controlled and any potentially unstable soils will be controlled.

J. *Incentive Provisions.* If the area is located in a zone with an incentive zoning suffix, a rezone shall be approved only if one of the following conditions are met:

The site and area are not located in a zone with an incentive zoning suffix.

The MHA-R legislation requires that 6% of the units on-site be affordable to those earning 60% AMI or less. The project will comply with this requirement.

**SMC 23.34.009 Height Limits of the Proposed Rezone.**

*Where a decision to designate height limits in 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 proposed 65-foot height limit is consistent with the general character of the existing area's development, including the five-story apartment building adjacent to the site to the north. The proposal does not displace a preferred use but instead provides the mixed use building desired by the neighborhood as reflected in the adopted Neighborhood Plan. The proposal also infills an existing surface parking lot, which is not a use preferred by the neighborhood.

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.

There are no topographical features present that make the rezone inappropriate. The hill slopes down from Dexter. The existing on-site building is already two stories tall and blocks some views. The topography of the project site results in a project that is not as tall from the sidewalk on the "top" side of the slope, and steps down the slope to further protect views.

C. *Height and Scale of the Area.*

1. *The height limits established by current zoning in the area shall be given consideration.*

The height limits established by current zoning are 40 feet. The rezone to 65 feet allows for additional residential units, including affordable units, which is consistent with City policies to add residential density in areas with good pedestrian, bicycle, and transit

service. The project itself will be consistent with the scale of development that exists and is currently being developed in the project area. It is also consistent with adjacent NC3P-65 zoning.

*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.*

The 65-foot height limit is compatible with existing development in the area. A contract rezone was just approved by the City Council kitty-corner from the site to allow a site to be upzoned from NC3P-40 to NC3-65. Additionally, it should be noted that the project site is one block north of the edge of the South Lake Union Urban Center and the building that bridges the gap fall within a 65' zone. Existing development and zoning capacity along Dexter is at 65'; even the adjacent NC3P-40 zoned property to the north is developed with a 5-story apartment building. The clear zoning pattern in this area supports NC3P-65 zoning facing Dexter Avenue. The project itself will be consistent with the scale of development that exists and is currently being developed in the project area.

*D. Compatibility with Surrounding Area.*

*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.*

Please see response to C2 above. The scale of actual and zoned development is consistent with the proposal. The project is clearly compatible with the zoned capacity and the actually developed condition in the area.

*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.*

As discussed above, the 65-foot height of the building is consistent with the character of the existing area. In addition, streets and alleys (defined as "major physical buffers" in 23.34.008.D.2) buffer three of the four sides of the proposed project from adjacent sites. The only actually adjacent site is to the north, where the existing development is 5 stories tall, very similar to the proposal height bulk and scale of the proposal.

*E. Neighborhood Plans.*

*1. Particular attention shall be given to height recommendations in business district plans or neighborhood plans adopted by the City Council subsequent to the adoption of the 1985 Land Use Map.*

*2. Neighborhood plans adopted or amended by the City Council after January 1, 1995 may require height limits different than those that would be otherwise established pursuant to the provisions of this section and Section 23.34.008.*

The adopted Queen Anne Neighborhood Plan does not make recommendations regarding height limitations.