

SUMMARY and FISCAL NOTE

Department:	Dept. Contact:	CBO Contact:
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1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to land use and zoning; implementing interim controls to comply with various state laws; establishing findings and adopting a workplan for permanent legislation; amending Sections 23.22.062, 23.24.045, 23.34.011, 23.44.006, 23.44.010, 23.44.011, 23.44.012, 23.44.014, 23.44.016, 23.44.017, 23.44.044, 23.45.512, 23.45.514, 23.45.518, 23.45.522, 23.45.527, 23.45.529, 23.53.006, 23.53.025, 23.54.015, 23.54.020, 23.54.030, 23.84A.010, 23.84A.025, 23.84A.036, and 25.09.240 of the Seattle Municipal Code.

Summary and Background of the Legislation:

The primary purpose of this legislation is to implement interim changes to zoning regulations necessary to comply with Washington State House Bill 1110. House Bill 1110 (also known as the “Middle Housing bill”) requires cities to allow a wider variety of housing types such as duplex, 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 developments

Specifically, this legislation would make the following changes to the existing code:

Changes to Neighborhood Residential (NR) zoning

Below is a summary of the proposed updated development standards for NR zones and how they would compare to the permanent legislation and state’s model code, which would become effective if interim legislation is not adopted.

	Interim legislation
Uses	Multifamily uses are allowed

Density	<p>Four units are allowed per lot except that six units are allowed per lot if within 1/4-mile walking distance of a major transit stop or at least two units on the lot are affordable.</p> <p>ADUs count toward the density limits.</p> <p>Density on lots with Environmentally Critical Areas (ECAs) would be reduced in portion to percentage of lot that contains ECAs</p>
FAR	<p>1 unit on a lot: 0.6</p> <p>2 units on a lot: 0.8</p> <p>3 units on a lot: 1.0</p> <p>4 or more units on a lot: 1.2</p>
Height	32 feet plus pitched roofs
Front setback	10 feet
Rear setback	10 feet, except 0 feet if the rear setback abuts an alley
Side Setback	5 feet, except 0 feet if the side setback abuts an alley
Garage setback	20 feet
Lot coverage	50 percent

Changes to **Residential Small Lot (RSL)** zoning

- Update density limits in RSL zones to comply with the requirement to allow at least 4 units on all lots and 6 units within ¼ mile of major transit stops or if two units are affordable; similar to NR zones, density on lots with Environmentally Critical Areas (ECAs) would be reduced in portion to the percentage of lot that contains ECAs
- Increase height in RSL zones from 30 feet to 32 feet similar to NR zones
- Increase the floor area ratio (FAR) so it would be equal to the proposed FAR in NR zones on lots with 2 or more units

Changes to **Lowrise (LR)** zoning

- Update density limits in LR1 zones to comply with the requirement to allow at least 4 units on all lots and 6 units within ¼ mile of major transit stops or if two units are affordable; similar to NR zones, density on lots with Environmentally Critical Areas (ECAs) would be reduced in portion to the percentage of lot that contains ECAs
- Increase height in LR1 zones from 30 feet to 32 feet similar to NR zones
- Shift from setbacks that vary by different building types into a single set of setbacks that apply to all projects in order to comply with HB 1110 standards that development standards can't be more strict for middle housing than for single-family residences, as summarized below:
 - Front setback: 7 feet average, 5 feet minimum
 - Rear setback: 7 feet average, 5 feet minimum, except 0 feet if alley

- Side setback: 5 feet
- Shift from maximum structure widths that vary by different building types into single maximum structure width of 90 feet for LR1 and LR2 zones and 150 feet for LR3 in order to comply with HB 1110 standards that development standards for middle housing can't be more strict than for single-family residences
- Remove certain design standards relating to façade articulation and location of windows to comply with the requirement of HB 1293 that design standards must be clear and objective
- Consolidate design standards that vary by housing type into a single set of standards relating to pedestrian pathways and entrances.

Additional changes affecting **multiple zones**

- Remove residential parking requirements for middle housing within ½ mile of major transit stops
- Modify parking space size and tandem parking requirements to comply with SB 6015 as follows:
 - Reduce minimum width of largest required parking space from 8.5 feet to 8 feet
 - Allow tandem parking to count as two spaces
- Modify standards for pedestrian access and circulation and access easements requirements so they are based on number of units rather than type of unit to comply with HB 1110 requirement that development standards for middle housing can't be more strict than for single-family residences
- Exempt middle housing from bike parking requirements to comply with HB 1110 standards that development standards for middle housing can't be more strict than for single-family residences
- Update EV charging requirements to meeting requirements in HB 1287

Amendments:

The Select Committee on the Comprehensive Plan recommended the following amendments which have been incorporated into the legislation:

1. Substitute version of CB 120969 incorporating changes in CB 120949 SDCI ADU State Compliance. This amendment aligns the interim legislation with recently adopted legislation related to accessory dwelling units.
2. Adopt a work program outlining key changes anticipated in permanent legislation. This amendment identifies topics for Council consideration during development and adoption of the permanent legislation including reducing displacement pressure, adjusting setbacks and amenity areas for tree protection, mandatory housing affordability, and more. This amendment was further amended to incorporate language to support retention of existing trees during development.
3. Maintain current single family lot coverage maximums. This amendment adjusted the proposed increase in lot coverage to not apply to single family structures, instead reverting to current lot coverage maximums in the case of single family development.

4. Retain current front yard standards along Queen Anne Blvd. This amendment adjusted the proposed decrease in front yard setback standards for those properties fronting landmarked Queen Anne Boulevard, such that current setback standards apply.
5. Restore minimum floor area for projects on small lots. This amendment reinstated a removed standard allowing a minimum of 2,500 sf of allowed floor area to be developed for small lots where floor area ratios would yield buildable floor areas below that threshold.
6. Clarify and reorganize NR and LR density limits. This amendment restructured the regulations for improved clarity and usability, as well as the following technical amendments:
 - a. Update the date that lots need to be in existence by to June 30, 2025.
 - b. Adjust the threshold for rounding in NR zones to round up if a calculation would result in 0.85 units, rather than 1.0 units.
 - c. Restore language utilizing defined residential housing types to identify density limits, instead of new undefined terms that may have been construed to apply density limits to stacked flats (which are exempt).
7. Request update on applicability of Residential Building Code to middle housing. This amendment asked Seattle Department of Construction and Inspections report to the City Council on changes that the Washington State Building Code Council is exploring related to the types of projects that are reviewed under the Residential Code vs. the more stringent Building code.
8. Adopt yard requirements from model ordinance. This amendment would adjust the proposed yard standard reduction (from 20 feet to 10 feet for front yards, and from 25 feet or 20% of lot depth to 10 feet for rear yards) to instead align with the yard requirements included in the Washington State Department of Commerce's model HB 1110-compliant ordinance. The model code has larger yard requirements for lots with one or two units (15 feet for both front and rear), and a smaller yard requirement in line with the base bill for three or more units (10 feet for both front and rear). Yard requirements adjacent to alleys remain unchanged (no rear yard requirement).

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 slightly 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.

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. Technology update costs would be paid by SDCI from existing permit fees through an existing MOU with IT. 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 residential zones.

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.** No racial equity analyses were conducted for the interim legislation, but a racial equity toolkit was conducted for permanent legislation which is planned to replace this legislation.
- iii. **What is the Language Access Plan for any communications to the public?**
None.

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 allow the City to temporarily comply with state legislation. Permanent legislation to implement the One Seattle Plan will follow later this year.

5. CHECKLIST

Please click the appropriate box if any of these questions apply to this legislation.

- ☒ 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: