



City of Seattle

Office of Planning & Community Development
Rico Quirindongo, Director

**CITY OF SEATTLE
ANALYSIS AND DECISION OF THE DIRECTOR
OF THE OFFICE OF PLANNING AND COMMUNITY DEVELOPMENT
SEPA Threshold Determination
Co-Living Housing / Congregate Residence Allowances Legislation**

- Project Sponsor:** City of Seattle Office of Planning and Community Development
- Location of Proposal:** Citywide. The changes primarily affect land in Lowrise (LR) and Midrise (MR) multifamily zones, and Commercial and Neighborhood Commercial 1 and 2 (C1, C2, NC1, NC2) zones.
- Scope of Proposal:** A legislative action to remove restrictions and limitations on the construction of congregate residences.
- No Appeal Opportunity:** Action taken by a city to comply with the requirements of Engrossed Substitute House Bill 1998 are not subject to legal challenge under chapter 36.70A or chapter 43.21C RCW.

BACKGROUND

Proposal Description and Background

The Office of Planning and Community Development proposes to edit the text of the Land Use Code (Seattle Municipal Code Title 23) to implement Washington State House Bill 1998 from the 2024 legislative session regarding co-living housing. Seattle's land use code regulates co-living housing under the "congregate residence" land use category. The proposed legislation makes the following changes removing restrictions or limitations on congregate residences:

- Amends allowable use tables to make congregate residence an allowed use on any lot that allows for at least six multifamily residential units including in all of the city's Lowrise (LR), Midrise (MR), and Highrise (HR) multifamily zones and all Commercial (C) and Neighborhood Commercial (NC) zones.

- Removes minimum development standards for configuration and features of living spaces in congregate residences including standards for communal areas, common food preparation areas, and food preparation in sleeping rooms.
- Removes parking requirements for congregate residences in all frequent transit served areas.
- Updates the definition of congregate residence to better match language and terminology of State legislation.

Public Comment

Proposed changes to the Land Use Code require City Council approval. Opportunity for public comment will occur during future Council hearings in the first quarter of 2024. This legislation directly implements House Bill 1998. During the 2024 state legislative session the state legislature received public comment relevant to this proposed legislation.

ANALYSIS - OVERVIEW

The following describes the analysis conducted to determine if the proposal is likely to result in *probable significant adverse environmental impacts*. This threshold determination is based on:

- * the copy of the proposed Ordinance;
- * the information contained in the *SEPA checklist* (dated May, 2024);
- * information in relevant policy and regulatory documents including the Comprehensive Plan, the City's SMC Title 25 and Title 23, and
- * Washington State House Bill 1998 and associated documents; and
- * the experience of OPCD analysts in reviewing similar documents and actions.

ELEMENTS OF THE ENVIRONMENT

Short -Term Impacts

As a non-project action, the proposal will not have any short-term adverse impact on the environment. No project specific action is proposed.

Long-Term Impacts

As a non-project action, the proposal is anticipated to have minor long-term impacts on the environment. Future development affected by this legislation will be reviewed under existing laws. Although the legislation expands where congregate residences are a permitted use other requirements on development would continue to apply and other procedures and aspects of the land use code would continue to apply.

The primary effect of this legislation over the long term is that it could incrementally encourage future residential development to be in the form of congregate residences instead of other types of multifamily housing that might otherwise be built. The legislation could incrementally increase the total amount of residential development if builders are enticed to construct more housing overall because of the removed limitation on congregate residence construction.

Natural Environment

The natural environment includes potential impacts to earth, air, water, plants/animals/fisheries, energy, natural resources, environmentally sensitive areas, noise, releases of toxic or hazardous materials. Adoption of the proposed legislation is not anticipated to result in adverse impacts on any of these elements of the natural environment, compared to development that might occur under existing regulations. The proposal could incrementally increase the likelihood of congregate residence construction. However, it is not expected that such construction would increase the profile of impacts to earth, air, water, plants/animals/fisheries, energy, natural resources, environmentally sensitive areas, noise, or releases of toxic or hazardous materials. Other development standards regulating site coverage, landscaping, trees and environmental and energy performance and total allowed height and floor area are not altered by the proposed legislation. Therefore additional adverse impacts on the natural environment are expected.

Built Environment

The proposed legislation will have only minor effects on the built environment because the primary effect of the legislation is to allow for the congregate residence residential use in addition to other residential uses that are already allowed in the same areas. The impacts to the built environment include any impacts related to land and shoreline use, height/bulk/scale, housing, and historic preservation. The proposed legislation does not alter exterior dimensional standards such as height limits and floor area limits,

so there are no expected adverse impacts on the built environment. Below is a discussion of the relationship between the proposal and built environment:

Land Use

The proposal would not encourage uses incompatible with the City's Comprehensive Plan or Shoreline Master Program or other adopted plans. The proposal concerns changes to allowed uses to expand areas where congregate residences may be constructed. Areas affected most directly are the city's Lowrise, Midrise and Highrise zones and the City's Neighborhood Commercial and Commercial 1 and 2 zones. All the zones allow for multifamily residential use and other urban uses along with the expanded allowance for congregate residences. The legislation could affect land use by allowing a greater density of residents than would otherwise be allowed in the absence of the legislation. The change would be to incrementally increase the intensity of activity and use patterns stemming from a greater number of residents living in an area. The impact could be experienced as a greater volume of people using services and parks or visiting businesses and stores. This could cause some congestion or cause some incremental increase in a wait times to access services or park facilities or other features of a community. The proposal does not allow or encourage incompatible uses with the City's Comprehensive Plan since the locations affected are already planned for and allow other types of multifamily residential uses.

Housing

The proposed legislation could have an incremental and minor impact on housing if the legislation encourages the construction of more congregate residences than would otherwise occur. This is considered by the City to be a positive impact on housing because increasing housing supply is a policy goal for the city. Additionally, the City understands that a possible outcome is a substitution effect of multifamily housing development that might otherwise occur in the future being replaced by congregate residence development. In cases where one use is being substituted for another it is plausible that there would be little or no net increase in the degree of impact from development on housing.

With or without the proposed legislation development of residential uses including congregate residences would be subject to the City's Mandatory Housing Affordability (MHA) requirements.

Some minor adverse impact on housing could result from the deletion of minimum standards for the interior configuration of congregate residences, including requirements for communal areas and food preparation areas. It is possible the proposed legislation could result in less desirable or comfortable living quarters compared to in the absence

of the legislation, which could adversely impact quality of life for some future residents. However, the proposal also has potential to increase supply of lower-cost housing that provides more affordable housing options to residents who might otherwise struggle to obtain an independent living quarters, which is a positive impact on housing. The City does not consider the potential adverse impact on housing to be more than minor.

Height/Bulk/Scale, Shadows, and Views

There are no potential impacts on Height/Bulk/Scale, Shadows and Views because the proposed legislation only pertains to allowable uses. There would be no substantial change to the height/bulk/scale or shadow or view effects because standards regulating the overall size or scale of development are not proposed to be changed.

Historic Preservation

The proposed legislation does not alter historic review processes for structures in a Seattle historic district, or for any designated historic Landmark. If the legislation incrementally encourages congregate housing development in the future it is likely that some historic-aged structures and properties in a landmark district or historic landmark structures could be affected. However, since the existing procedures concerning historic preservation are maintained any potential for impact would not be more than minor.

Noise, Light & Glare, Environmental Health

The proposed legislation does not alter the applicability of several standards concerning noise, light and glare and environmental health. The proposal could incrementally increase noise if a greater number or density of people could live in congregate residences compared to apartment buildings or condominiums that might otherwise be built. The increment of noise would be attributed to living activities such as talking, recreating and playing music and cooking as well as entering and leaving homes. In the context of an urban environment these incremental impacts are common and customary and are not considered by the City to be more than minor.

Transportation and Parking

The proposal is not anticipated to result in any direct adverse impacts on transportation or parking. The proposal could incrementally encourage the development of congregate residences instead of other forms of residential use, which could cause an increased density of persons living in an area. The proposal also removes the requirement that parking be provided for occupants of a congregate residence in areas outside of urban

villages and centers that are well served by transit. These changes could cause an incremental increase in demand for on street parking in an area, and could cause an incremental increase in congestion from vehicles on streets or pedestrians on sidewalks on some local roads if additional congregate residences are constructed. The proposal could theoretically have a minor adverse impact on transportation or parking if the proposal incrementally increases the likelihood of congregate residence development, and if such development exerts a different or higher pattern of transportation usage than the uses that would be replaced. It is not expected that the magnitude of these changes would notably affect the capacity of local roadways, bicycle networks or sidewalks when compared with the scenario that would occur in the absence of the legislation. As a result of the factors described above no adverse impact that is more than minor is anticipated from the proposed action on transportation and parking.

Public Services and Utilities

Adoption of the proposal will not directly result in an increased need for public services. The proposal could incrementally increase the intensity or density of residential uses in an area if the proposed legislation incrementally increases the likelihood of congregate residence development. This could theoretically indirectly lead to an increased need for public services associated with residential use, such as an increased number of residents needing emergency services, or visiting nearby public facilities such as libraries and parks. The affected area of the proposal is places where multifamily housing is already an allowed use, and these areas are already well served by the full suite of utility services, including natural gas, electricity, broadband, stormwater and sewer. The degree of change compared to what might occur under existing regulations would not adversely impact the ability of existing utilities to serve anticipated development. Due to the factors discussed in this section and other information above, we determine that there would be no adverse impact that is more than minor as a result of the proposed legislation.

DECISION – SEPA

Adoption of the proposed ordinance would have no short-term impacts on the environment and would not have more than minor adverse long-term impacts on elements of the natural or built environment.

This decision was made after review by the responsible official on behalf of the lead agency of a completed environmental checklist and other information on file with the responsible department. This constitutes the Threshold Determination and form. The intent of this declaration is to satisfy the requirements of the State Environmental Policy Act (RCW 43.21C), including the requirement to inform the public agency decisions pursuant to SEPA.

- Determination of Non-Significance. This proposal has been determined to not have a significant adverse impact upon the environment. An EIS is not required under RCW 43.21C.030(2)(c).
- Determination of Significance. This proposal has or may have a significant adverse impact upon the environment. An EIS is required under RCW 43.21C.030(2)(c).

RECOMMENDED CONDITONS--SEPA

None

Signature: ___[On File]_____

Geoffrey Wentlandt, Land Use Policy Manager
Office of Planning and Community Development

Date: May 10, 2024