

MEMORANDUM

To: Members of the Planning Land Use and Zoning Committee
From: Ketil Freeman, Legislative Analyst
Date: March 16, 2017
Subject: Clerk File 314331 and Council Bill 118934, Contract Rezone for 203 West Republican Street

This memorandum: (1) provides an overview of the rezone application and (2) describes the contents of Council decision documents, which would grant the rezone application, amend the Official Land Use Map, also known as the zoning map and accept a Property Use and Development Agreement (PUDA) limiting future development.

Overview

Zella Apartments, LLC (the Applicant),¹ has applied for a contract rezone for an approximately 14,000 square foot site located at 203 West Republican Street (the Property) from Neighborhood Commercial 3 with a 65-foot height limit (NC3 65) to Neighborhood Commercial 3 with an 85-foot height limit (NC3 85).

The Applicant plans to redevelop the site with a 128 residential unit apartment building including ground floor live-work space. The Applicant proposes to participate in the Multifamily Tax Exemption (MFTE) Program and voluntarily comply with the Mandatory Housing Affordability – Residential (MHA-R) Program. Since the time of the Hearing Examiner’s recommendation the Applicant has clarified the proposal for voluntary MHA-R compliance. A comparison between the initial proposal and the new proposal is set out in the table below.

	Total Number of Affordable Units from MFTE and MHA-R	Cross-subsidy Between MFTE and MHA-R	Proposed Units for MHA-R
Initial Proposal	21	Yes	Studios
New Proposal	26 (8 MHA-R Units)	No	Proportional to Unit-type Distribution in the Project

The Applicant filed a rezone petition in October 2015. On November 3, 2016, the Seattle Department of Construction and Inspections (SDCI) issued an affirmative rezone recommendation, State Environmental Policy Act decision, and design review decision. The Hearing Examiner held an open record hearing on the rezone recommendation on December 6, 2016. On January 10, 2017, the Hearing Examiner issued a recommendation to Council to approve the rezone subject to a PUDA.

¹ The original applicant was Mariner on Republican, LLC.

Type of Action and Materials

This rezone petition is a quasi-judicial action. Quasi-judicial rezones are subject to the Appearance of Fairness Doctrine prohibiting *ex-parte* communication. Council decisions must be made on the record established by the Hearing Examiner.²

The Hearing Examiner establishes the record at an open-record hearing. The record contains the substance of the testimony provided at the Hearing Examiner's open record hearing and the exhibits entered into the record at that hearing. The entire record, including audio recordings of the hearing, are available for review in my office.

Committee Decision Documents

To approve a contract rezone the Council must make recommendations to the Full Council on two pieces of legislation: (1) a Council Findings, Conclusions and Decision that grants the rezone application and (2) a bill amending the zoning map and approving a PUDA.

1. CF 314331 - Findings, Conclusions and Decision

The CF for this rezone contains the Hearing Examiner's record for the proposal. Based on changes to the proposal since the CF was originally introduced, the Committee should amend the title of CF 314331 to identify the new Applicant and correctly identify the zones. An amendment is shown below with new language underlined and language to be removed ~~struck out~~.

Application of ~~Mariner on Republican~~ Zella Apartments, LLC for a contract rezone of a site located at 203 West Republican St. from Neighborhood Commercial 3 with a 65 foot height limit ~~and pedestrian designation (NC3P 65)~~ to Neighborhood Commercial 3 with an 85 foot height limit ~~and pedestrian designation (NC3P 85)~~. (Project No. 3020961; Type IV)

Council staff has drafted proposed Council Findings, Conclusions and Decision, which would reside in the CF. The proposed Findings, Conclusions and Decision would adopt the Hearing Examiner's findings and conclusions and grant the proposed rezone subject to a condition that the Applicant execute a PUDA. That PUDA would limit development to the project shown on final approved plans and establish conditions for MHA-R compliance.

2. CB 118934 – Rezone Bill

CB 118934 would amend the Official Land Use Map to rezone the Property and approve and accept the executed PUDA.

Next Steps

If PLUZ recommends approval of the proposed Findings, Conclusions and Decision and CB 118934, the rezone application could be ready for a Full Council vote on March 27, 2017. The PUDA attached to CB 118934 would need to be substituted at Full Council with the executed original.

Attachments:

- Proposed Council Findings, Conclusions and Decision
- Proposed PUDA

cc: Kirstan Arestad, Central Staff Executive Director

² Seattle Municipal Code (S.M.C.) § 23.76.054.E.