

September 6, 2017

MEMORANDUM

To: Members of the Planning, Land Use and Zoning Committee

From: Aly Pennucci, Legislative Analyst

Subject: CB 119057: Design Review Program Improvements

On Friday, September 8, the PLUZ Committee will begin discussing potential amendments to <u>CB 119057</u> that would make changes to the City's <u>Design Review program</u>. A public hearing is scheduled for 7:00 p.m. on September 11, at the SIFF Cinema Uptown. The Committee could make a recommendation on the bill as early as Tuesday, September 19.

This memo (1) outlines issues related to Design Review thresholds, which have been identified to date, and (2) sets out options for potential amendments for the committee's consideration. These options may be modified or abandoned based on committee discussion, further public comment and ongoing review. Councilmembers may identify additional potential amendments prior to September 19.

Attachment 1 contains a discussion of potential amendments to the Mayor's recommended bill. Specific language for some of these amendments have been prepared and are found in attachments 5 through 13.

Design Review Thresholds – Discussion of Options

This section discusses issues related to thresholds that would determine whether and what type of design review would be required. Generally, the Mayor's proposed revisions would require the Council to make trade-offs between the objective of faster and more predictable permit review and other Design Review program objectives, such as early public involvement and improved design quality. The discussion below is informed by the following information contained in attachments to this memo:

- Baseline data for review times of projects subject to Design Review (Attachment 2),
- Estimated changes in review times under different alternatives (Attachment 3), and
- Examples of design review projects by size and complexity (Attachment 4).

Mayor's Proposal

The Mayor proposes to amend thresholds, above which project are subject to Design Review, as follows:

- (1) Use the size of new development as the threshold to determine if design review is required;
- (2) Use size, combined with site and project characteristics, to determine the type of design review required; and
- (3) Introduce a new design review process (hybrid design review) and eliminate the streamlined design review process (SDR).

The intent of the proposed threshold changes, at least in part, are to (1) focus board reviews on the projects that need the most attention (full design review), (2) open more available design review board review times by reducing the number of projects subject to full design review and by increasing administrative reviews or partial administrative reviews through the proposed hybrid process, and (3) improve consistency and efficiency of reviews by increasing the amount of reviews done administratively. Collectively, these changes are meant to reduce project review times.

In terms of improving review times for projects that will still be subject to review by a Design Review Board, the Department estimates that the proposed changes will reduce review times by four to eight weeks, largely based on the reduction of projects subject to review by a Board. However, with the introduction of a new hybrid decision process and increased responsibility for staff to complete more administrative reviews, it is unclear if the proposed changes will result in significant time savings. The combination of administrative and board review in the hybrid process may introduce more confusion in the process and may require additional staff time to work with applicants and the public to understand the process.

Discussion of Alternatives

Councilmembers may want to consider modifying the proposal to introduce more incremental changes that could still achieve some reductions in review times. This could include eliminating the proposed hybrid design review process thus increasing the number of projects subject to full design review, and increasing the number of projects subject to administrative design review. (See Attachment 1, Table 1B for more specific options)

To achieve generally equivalent reductions in the in the estimated review times (1) the minimum threshold, which determines if a project is subject to any design review process, and (2) the size threshold, which determines what type of design review process a project is subject to, would need to be modified (see Attachment 3). The benefit of this approach is that more projects would receive the full attention of the Board, rather than going through the hybrid process; however, it is difficult to estimate the savings achieved by introducing more administrative reviews. Increasing administrative reviews may also improve consistency among reviews. However, reducing the number of projects subject to design review reduces opportunities for public input.

Alternatively, if the policy goal is not focused on reducing the review timeline, Councilmembers may want to consider lowering the proposed thresholds and/or preserving the SDR process so that most projects currently subject to some form of design review will continue to be reviewed through the program (see Attachment 1, Table 1B for more specific options). Because most projects that would no longer be subject to design review under the Mayor's proposal are smaller projects currently subject to SDR, one option is to preserve SDR as an interim measure until more prescriptive development standards are proposed. The benefit of this approach is that smaller projects would continue to have some design review, thus ensuring some attention to design. But, it would require less staff time and no board meetings which requires less time to complete the review. On the other hand, it would not reduce demand on staff time, likely resulting in limited to no reductions in review times, overall.

¹ See Attachment 2 for information on current review times for projects subject to design review. While changes to the program may reduce the review time that is dependent on staff turnaround times and wait times for board meetings, review times are also effected by time waiting for applicants to submit additional or corrected information the department requests.

Attachments:

- 1. Potential Amendments
- 2. Review times for projects subject to design review
- 3. Potential effect of threshold amendment options on estimated review times
- 4. Project examples by size
- 5. Amendment 1A: Recitals
- 6. Amendment 2A: Effective Date
- 7. Amendment 3A: Height and FAR Departure for saving an exceptional tree.
- 8. Amendment 3B: Special Review District boards and Landmark Preservation boards authority to grant land use code departures.
- 9. Amendment 4A: Type of Design Review for projects electing MHA performance option.
- 10. Amendment 4B: Meeting caps for projects selecting the MHA performance option.
- 11. Amendment 5A: Eliminate the hybrid pilot.
- 12. Amendment 5B: Evaluation criteria and number of projects eligible for the hybrid pilot.
- 13. Amendment 8A: Threshold for areas that will be rezoned from SF to a multifamily or commercial zone

cc: Kirstan Arestad, Central Staff Director Ketil Freeman, Supervising Analyst

Attachment 1: Potential Amendments to Design Review bill

Table 1A: Amend	ment Options		
Topic	Issue/Options	Potential Amendment	Discussion
1. Recitals	A. Recitals in Mayor's proposed bill do not reflect the full legislative history.	Add recitals to reflect the legislative history. (see Attachment 5 for specific amendment language) Accept the Mayor's recommendation.	The recitals in the proposed ordinance only reflect the HALA recommendations and do not acknowledge the work completed by the stakeholder advisory group, the Chamber or the work requested by the Council prior to the initiation of the HALA work.
2. Effective date	B. Providing adequate time for the department to prepare for implementation	Extend the effective date for the legislation to 6 months. (see Attachment 6 for specific amendment language) Accept the Mayor's recommendation.	The Mayor proposed an effective date for the legislation of three months. The technology changes necessary to successfully implement the proposed changes, and the materials that SDCI will need to prepare for staff, applicants and the public, will require additional time.
3. Departures	A. Height and FAR incentive for saving an exceptional tree.	Allow a departure of up to 10 feet in additional height and an increase of 0.5 FAR if the additional height or FAR will facilitate retention of an exceptional tree on the development site. (see Attachment 7 for specific amendment language) Accept the Mayor's recommendation.	This amendment would allow applicants to request additional height or FAR if the departure is needed to project an exceptional tree and the additional height or FAR would, at least in part, account for any reduced development capacity
	B. Special Review District (SRD) boards and Landmark Preservation Boards authority to grant land use code departures.	Modify the duties of SRD Boards and Landmark Preservation Boards to give the boards authority to review and make recommendations to SDCI on departures from Land Use Code development standards. (see Attachment 8 for specific amendment language)	Development located in a SRD, or in a historic district, is exempt from design review unless the project is seeking a departure from Land Use Code development standards. This requires that these projects are reviewed by two separate boards that may add time and costs to the review process for the applicants. This amendment would eliminate review by to separate board for projects in these areas.

Table 1A: Amenda	Table 1A: Amendment Options							
Topic	Issue/Options	Potential Amendment	Discussion					
		Accept the Mayor's to recommendation.						
4. Incentives for Mandatory Housing Affordability (MHA) – Performance Option	A. Allow projects that elect the MHA performance option to be reviewed through a faster design review process.	Include an option for projects that would otherwise be subject to full design review to go through hybrid design review and those subject to hybrid, to be reviewed through administrative design review, if the MHA performance option is selected. (see Attachment 9 for specific amendment language)	Under the MHA program, applicants are required to either make a payment to contribute to affordable housing or include affordable units in the development (the performance option). To incentivize the performance option, this amendment would allow projects that commit to the performance option in areas outside of downtown to elect to be reviewed through a faster, more administrative design review process. Note that if amendments 9A or 9C are adopted this amendment would only apply to projects that would be					
		Accept the Mayor's recommendation.	subject to full design review.					
	B. Meeting caps for projects selecting the MHA performance option.	Apply meeting caps to projects that elect the MHA performance option, that would otherwise not apply if the project is seeking a departure. (see Attachment 10 for specific amendment language) Accept the Mayor's recommendation.	The Mayor's proposal would introduce meeting caps, setting a maximum number of design review board meetings a project would be subject to. This would only be available to projects not seeking departures, that are abutting a single-family zone, or include a Type IV or V MUP component. This amendment would incentivize the MHA performance options by applying the proposed meeting caps to those projects even if the project is seeking departures.					
5. Hybrid pilot program	A. Eliminate the proposed hybrid design review pilot program.	Eliminate the proposed hybrid pilot. (see Attachment 11 for specific amendment language)	The Mayor's proposal does not clearly prescribe a policy choice about which phase of the hybrid process should be done administratively and which should be conducted by the board for the proposed hybrid process. In most cases, the proposal is to have the first phase of design review (early design guidance) conducted administratively by staff,					

Tak	ole 1A: Amendı	ment Options		
То	pic	Issue/Options	Potential Amendment	Discussion
			Accept the Mayor's recommendation.	however, the proposal also includes a "pilot" where up to 25 projects can choose to have the recommendation phase completed administratively. Introducing a pilot program as an alternative to a new process risks introducing unnecessary complications and confusion at a time when the program is already undergoing a significant number of changes, which themselves require adequate time to evaluate before considering modifications.
				Note: amendment options 9A or 9C would also eliminate the hybrid pilot.
		B. Add evaluation criteria and reduce the number of projects eligible for the hybrid.	Amend the proposed bill to reduce the number of projects that could elect the hybrid pilot option and add specific evaluation criteria. (see Attachment 12 for specific amendment language)	In addition to the issues described above under option 5A, it is unclear how the "pilot" will be evaluated. Further, the number of projects that could eligible for the pilot program could result in more than half of the projects subject to hybrid design review opting in to the hybrid. If the pilot option is retained, this amendment would specify evaluation criteria and reduce the size of the pilot.
			Accept the Mayor's recommendation.	
6.	Early Community Outreach	A. Detail requirements by Director's rule or include requirements in the Land Use Code.	Include specific requirements about the outreach requirement in the code, rather than granting the Director the authority to develop the requirements by rule. Accept the Mayor's recommendation.	The proposed changes would require that applicants conduct outreach to the community prior to completing the Early Design Guidance phase of design review. The Department of Neighborhood would coordinate with SDCI on developing a Director's Rule with details on the outreach requirements and process and to implement and oversee implementation.¹ Councilmembers could choose to incorporate requirements into the code rather than

¹ SDCI published a draft rule for review: http://www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web informational/p3477314.pdf.

Table 1A: Amendment Options							
Issue/Options	Potential Amendment	Discussion					
		granting authority to the Director to determine requirements by rule.					
A. Define by Director's rule or include requirements in the Land Use Code.	Amend the Executive's proposal to include criteria for determining if a revision is a major or minor change. Accept the Mayor's recommendation.	The Mayor's proposal authorizes the SDCI Director to determine, by rule, what constitutes a major or minor revision to an approved MUP. Without a draft of the potential Director's rule, it is unclear if the criteria to determine what constitutes a minor revision versus a major					
	recept the Mayor Steedminenation.	revision. Councilmembers may want to consider including criteria in the legislation or requesting a draft copy of the proposed rule in advance of taking final action on the legislation.					
A. Areas transitioning from SF to multifamily or commercial zone	Establish a lower threshold for determining if a project is subject to design review. The lower threshold would only apply to development located in an area that that was rezoned from a single-family zone to a LR3 or higher zone within the last five years. (see Attachment 13 for specific amendment language)	This amendment recognizes that areas that will be rezoned from a single-family zone to a multi-family may benefit from additional review.					
	A. Define by Director's rule or include requirements in the Land Use Code. A. Areas transitioning from SF to multifamily	A. Define by Director's rule or include requirements in the Land Use Code. A. Areas transitioning from SF to multifamily or commercial zone A. Areas transitioning from SF to multifamily or commercial zone A. Areas transitioning from SF to multifamily or commercial zone A. Areas transitioning from SF to multifamily or commercial zone A. Areas transitioning determining if a project is subject to design review. The lower threshold would only apply to development located in an area that that was rezoned from a single-family zone to a LR3 or higher zone within the last five years. (see Attachment 13 for specific					

	Potential amendment	Discussion ²			
Issue/Options	(Note: options are mutually exclusive)	Advantages	Disadvantages		
Increase Thresho	lds				
9A. Eliminate hybrid pilot option	Keep minimum thresholds as proposed, eliminate hybrid option	Increases the number of projects subject to full design review, increasing opportunities for public discussion and eliminates the potential confusion introduced with the	Increases demand for design review board meetings which may decrease the estimated reductions in review times by approximately 50%.		
	Accept the Mayor's recommendation.	hybrid option.			
9B. Increase minimum thresholds	Increase the minimum thresholds that determine if a project is subject to design review, and the size thresholds that determine the type of design review required.	Further reduces estimates review times compared to the Mayor's proposal.	Reduces the number of projects subject to design review, reducing opportunities for public input on a larger number of projects and opportunities to improve the projects design and its contribution to the built		
	Accept the Mayor's recommendation.		environment through the design review process.		
9C. Increase minimum thresholds, eliminate hybrid	Increase the minimum thresholds that determine if a project is subject to design review, and the size thresholds that determine the type of design review required	Achieves similar reductions in the estimated reductions in review times compared to the Mayor's proposal, in addition to the benefits associated with eliminating the hybrid option described under option 9A.	Reduces the number of projects subject to design review, reducing opportunities for public input on a larger number of projects, and opportunities to improve the projects design and its contribution to the built		
	Accept the Mayor's recommendation.		environment through the DR process.		
Decrease Thresho	olds				
	Decrease the minimum thresholds that determine if a project is subject to design review, and the	Increases the number of projects subject to design review compared to the Mayor's proposal, providing more opportunity for			

² See Attachment 3 for more details on how the options to increase the thresholds would increase or decrease the number of projects subject to different types of design review, and increases or decreases in the number projects that would no longer be subject to design review.

	Potential amendment	Discussion ²		
Issue/Options	(Note: options are mutually exclusive)	Advantages	Disadvantages	
9D. Decrease minimum	size thresholds that determine the type of design review required	public input on a larger number of projects and opportunities to improve the projects design and its contribution to the built	Reduces or eliminates any reductions in review times that could be achieved by increasing thresholds.	
threshold	Accept the Mayor's recommendation.	environment.		
9E. Decrease minimum threshold, keep SDR	Option 9D plus maintaining the SDR program.	In addition to the benefits described under option 6D, this option would continue to require smaller projects to have some design review but requires less staff time and no	Reduces or eliminates any reductions in review times that could be achieved by increasing thresholds. In addition, it is unclear if SDR meaningfully impacts	
and use for smaller project	Accept the Mayor's recommendation.	board meetings which reduces review times when compared to other design review processes.	development at this scale.	

Baseline Data related to Design Review Processes

Data from projects issued in 2016

Average	Median
78 days	63 days
77 days	76 days
80 days	60 days
	-
Average	<u>Median</u>
356 days	321 days
305 days	302 days
Average	Median
434 Days	377 days
326 days	327 days
	78 days 77 days 80 days Average 356 days 305 days Average 434 Days

Baseline Data related to All Other Type II MUPs less Plats Data from projects issued in 2016

Intake to Publish	Average	Median
	224 days	153 days
Intake to Issue	Average	Median
	196 davs	136 davs

Time with SDCI vs Applicant¹

Ful	l Desi	gn Revi	iew Pro	iects
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EDG to Issue 65%- time w/SDCI

35%- time w/Applicant

ADR Design Review Projects

EDG to Issue 79%- time w/SDCI

21%- time w/Applicant

All other Type II, non- Plat MUPs 61%- time w/SDCI

39%- time w/Applicant

¹ Time with applicant includes the time SDCI has issued a correction notice to an applicant and is waiting for the applicant to submit additional information/corrected plan sets.

Attachment 3: Potential effect of threshold amendment options on estimated review times

Option	Threshold Proposal			% Change in # of projects subject to each type of review compared to Mayor's proposal				Potential change in review time		
	Adn	nin DR	Hybrid DR	Full DR	No DR ↑ or ↓	Admin DR ↑ or ↓	Hybrid DR ↑ or ↓	Full DR ↑ or ↓	compared to existing program⁴	
Mayor's proposal	10-20k, ^{1,} NC ²		10-20k C ³ ; >20k, NC	>20k, C		n/	'a		-24%	
OA Eliminata bubrid	10-20k,	NC	eliminate	10-20k, C; projects >20k	0%	34%	n/2	49%	-12%	
9A. Eliminate hybrid	10-25k,	NC	eliminate	10-25k, C; projects >25k	0%	55%	n/a	42%	-17%	
9B. Increase	12-22k,	NC	12-22k, C; >22, NC	>22k, C	13%	-19%	-5%	-1%	-25%	
thresholds	15-25k,	NC	15-25k, C; >25k, NC	>25k, C	30%	-38%	-12%	-4%	-28%	
9C. Increase thresholds;	12-25k,	NC	eliminate	12-25k, C; projects >25k	13%	26%	n/a	42%	-17%	
eliminate hybrid	15-30k,	NC	eliminate	15-30k, C; projects >30k	30%	15%	TI/ a	32%	-22%	
9D. Decrease	8-20k, N	NC	8-20k C, >20k, NC	>20k, C	-35%	77%	2%	0%		
threshold	8-18Kk,	NC	8-18k C, >18k, NC	>18k, C	-35%	66%	9%	0%	No change⁵	
9E. 9D + keep SDR for small projects	8-10k SDR	10-20k, NC ADR	10-20k C3; >20k, NC	>20k, C		s 9D but time nee vould decrease i				

¹ Number associated with gross floor area of development

² NC = Not Complex

³C = Complex

⁴ Reductions in review times are estimated based on changes to the estimated number of board meetings required compared to the existing program. As SDCI introduces more administrative reviews, staff turnaround times may improve, which could further reduce review times.

⁵ Decreasing the thresholds would increase the number of administrative reviews, increasing demand on staff time, which may reduce or eliminate any potential time savings for administrative reviews, however, lowering the thresholds as described here would not increase the number or projects subject to full design review.

Attachment 4 - Project Examples - By Size Option 9A: Eliminate Hybrid Option

ELIMINATE HYBRID OPTION - 10-20K, NC = ADR; 10-20K, C & >20K = FULL



				Type of Design Reivew Required			
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7A - Admin 20k	Complex?	
3018777	17,000	3 DUs; 2 L/W	SDR	Hybrid	Full	Yes	



			Type of I			
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7A - Admin 20k	Complex?
3017306	12,900	N/A (office + retail)	Full	Hybrid	Full	Yes

ELIMINATE HYBRID OPTION - 10-25K, NC = ADR; 10-25K, C & >25K = FULL



			Type of	w Required		
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7A - Admin 25k	Complex?
3017258	21,000	48 DUs (SEDUs)	Full	Hybrid	ADR	No

GFA = Gross floor area DU = dwelling unit L/W = live/work unit

DR = design review SDR = Streamlined design review



			Type of	Type of Design Reivew Required			
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7A - Admin 25k	Complex?	
3018682	22,800	45-47	Full	Hybrid	ADR	No	

ADR = Adminstrative design review Full = Full design review Hybrid = Hybrid design review SEDU = Small efficiency dwelling unit

Option 9B: Increase Minimum Thresholds

<12K OF GFA = NO DESIGN REVIEW



			Type of De	sign Reivew	Required	
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7B - 12K	Complex?
3019856	11,200	4 DUs; 2 L/W	SDR	Hybrid	No DR	Yes

<15K OF GFA = NO DESIGN REVIEW



			Type of De	sign Reivew I	Required	
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7B - 15k	Complex?
3017439	14,238	5 DUs	Full	Hybrid	No DR	Yes

GFA = Gross floor area DU = dwelling unit L/W = live/work unit DR = design review SDR = Streamlined design review

Option 9C: Increase Minimum Thresholds, Eliminate Hybrid

<12K OF GFA = NO DR; 12-25K, NC = ADR; 12-25K, C & >25K = FULL



			Type of De	sign Reivew I	Required	
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7C -12k	Complex?
3018682	22,800	45-47	Full	Hybrid	ADR	No

<15K OF GFA = NO DR; 15-30K, NC = ADR; 15-30K, C & >30K = FULL



			Type of De	sign Reivew I	Required	
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7B - 15k	Complex?
3017878	15,900	30	Full	Hybrid	Full	Yes

ADR = Adminstrative design review Full = Full design review Hybrid = Hybrid design review SEDU = Small efficiency dwelling unit

Option 9D: Decrease Minimum Thresholds

Minimum threshold = 8k; 8-20k, NC = ADR



			Type of De	sign Reivew	Required	
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7D	Complex?
3016541	8,974	38	Full	No DR	ADR	No

Minimum threshold = 8k; 8-18k, NC = ADR; 8-18k C = Hybrid



			Type of De	sign Reivew I	Required	
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7D	Complex?
3018745	8,650	5	SDR	No DR	Hybrid	Yes

GFA = Gross floor area DU = dwelling unit L/W = live/work unit DR = design review SDR = Streamlined design review

Option 9E: Decrease Minimum Thresholds, Maintain SDR

Minimum threshold = 8k; 8-10k = SDR



			Type of De	sign Reivew I		
Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7E	Complex?
3016541	8,974	38	Full	No DR	SDR	No

Minimum threshold = 8k; 8-10k = SDR



				Type of Design Reivew Required			
P	Project #	GFA	# of Units	Existing	Mayor's Proposal	Option 7D	Complex?
3	3018745	8,650	5	SDR	No DR	SDR	Yes

ADR = Adminstrative design review Full = Full design review Hybrid = Hybrid design review SEDU = Small efficiency dwelling unit

Amendment 1A: Recitals Sponsor: Councilmember O'Brien

This amendment would add recitals to better reflect the legislative history.

Note:

- Language proposed to be added by this amendment is shown with a double underline.
- Language proposed to be deleted by this amendment is shown with a ((double strikeout)).
- WHEREAS, in 2013, the City Council requested that the Seattle Department of Construction and

 Inspections (SDCI), previously known as the Department of Planning and Development,

 and the Office of Economic Development, work with the Seattle Metropolitan Chamber

 of Commerce (Chamber) and members of the planning and development community to

 identify options to improve the permit review process; and
- WHEREAS, in 2014, the Seattle Metropolitan Chamber of Commerce submitted recommendations to SDCI on improving the design review process; and
- WHEREAS, in September 2014, the City Council adopted Resolution 31546, in which the Council and Mayor proposed that a Seattle Housing Affordability and Livability Agenda (HALA) Advisory Committee be jointly convened by the Council and the Mayor to evaluate potential housing strategies; and
- WHEREAS, in 2015, following recommendations identified by the Chamber's work, the City

 Council provided consultant resources for SDCI to conduct additional outreach with

 community stakeholders and to develop recommendations to improve the design review

 process and present a proposal for implementing those changes; and
- WHEREAS, in 2015, SDCI convened a 16-member stakeholder advisory group comprised of project applicants, design professionals and community members to recommend changes to the design review process and conducted additional community outreach about design review;

- WHEREAS, the design review stakeholder advisory group prepared recommendations to

 cultivate the program's purpose of encouraging better design, improve the level of

 consistency, efficiency and predictability in how the City administers the program, set

 clear expectations for the program, and support communication and dialogue in design

 review; and
- WHEREAS, the HALA Advisory Committee provided final recommendations to the Mayor and City Council on July 13, 2015, including strategies to create efficiencies in housing production; and
- WHEREAS, the HALA Advisory Committee found that while the design review process may provide benefits such as better collaboration between developers and community members and improved design outcomes, it may also increase the timeline, cost, and unpredictability of obtaining land use permits, which may then raise the cost of building housing; and
- WHEREAS, the HALA Advisory Committee recommended reforms to the design review process to improve predictability and consistency, including procedural changes to improve two-way dialogue at meetings, training to board members and staff to allow them to consider the impacts of their decisions on housing costs, and limitations on the extent of packet materials and number of meetings; ((NOW, THEREFORE,)) and
- WHEREAS, in March 2016, SDCI released a recommendation report to update the design review program that was informed by the Design Review Advisory Group's recommendations and the HALA Advisory Committee's recommendations and other outreach efforts; NOW, THEREFORE,

Amendment 2A: Effective Date Sponsor: Councilmember Johnson

This amendment would modify the effective date of Sections 3 through 31 from 3 months to 6 months to allow adequate time for the department to prepare for implementation.

Note:

Language proposed to be added by this amendment is shown with a <u>double underline</u>.

Language proposed to be deleted by this amendment is shown with ((double strikeout)).

Section 32. Sections 3 through 31 of this ordinance shall take effect and be in force ((\(\frac{\pmathcal{0}}{\pmathcal{0}}\)) and any adjustments in business practices.

Section 33. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Amendment 3A: Height and FAR Departure for saving an exceptional tree Sponsor: Councilmember Johnson

This amendment would allow a departure of up to 10 feet in additional height and an increase of 0.5 FAR if the additional height or FAR will facilitate retention of an exceptional tree on the development site.

Note:

Language proposed to be added by this amendment is shown with a <u>double underline</u>.

Language proposed to be deleted by this amendment is shown with ((double strikeout)).

Section 8. Subsections 23.41.012.A, 23.41.012.B, and 23.41.012.C of the Seattle Municipal Code, which section was last amended by Ordinance 125291, are amended as follows: 23.41.012 Development standard departures

* * *

B. Departures may be granted from any Land Use Code standard or requirement, except for the following:

* * *

10. ((Downtown view corridor requirements, provided that departures may be granted to allow open railings on upper level roof decks or rooftop open space to project into the required view corridor, provided such railings are determined to have a minimal impact on views and meet the requirements of the Building Code)) Floor area ratios (FAR).((*)) except that:

a. in the Pike/Pine Conservation Overlay District shown on Map A for 23.73.004, departures from the development standards for floor area exemptions from FAR calculations in subsection 23.73.009.C and for retention of a character structure on a lot in Section 23.73.015 are allowed;

<u>b. Departures of up to an additional 0.5 FAR may be granted if the applicant demonstrates that (1) the departure is needed to protect either an exceptional tree, as</u>

defined in Section 25.11.020, or a tree greater than 2 feet in diameter measured 4.5 feet above the ground, that is located on the lot, and (2) avoiding development in the tree protection area will reduce the total development capacity of the site.

11. ((In SM-SLU zones, floor area limits for all uses provided in subsections 23.48.245.A, 23.48,245.B.1, 23.48,245.B.2 and 23.48.245.B.3, except that departures of up to a five percent increase in floor area limit for each story may be granted for structures with nonresidential uses meeting the requirements of subsections 23.48.245.B.1.d.1 and 23.48.245.B.1.d.2)) Structure height, except that:

a. Within the Roosevelt Commercial Core building height departures up to an additional 3 feet may be granted for properties zoned NC3-65 (Map A for 23.41.012, Roosevelt Commercial Core);

b. Within the Ballard Municipal Center Master Plan area building height departures may be granted for properties zoned NC3-65 (Map B for 23.41.012, Ballard Municipal Center Master Plan Area). The additional height may not exceed 9 feet, and may be granted only for townhouses that front a mid-block pedestrian connection or a park identified in the Ballard Municipal Center Master Plan;

c. Within the Uptown Urban Center building height departures up to 3 feet of additional height may be granted if the top floor of the structure is set back at least 6 feet from all lot lines abutting streets;

d. Within the Queen Anne Residential Urban Village and Neighborhood

Commercial zones as shown on Map C for 23.41.012, Upper Queen Anne Commercial Areas,

building height departures up to 3 feet of additional height may be granted if the top floor of the

structure is set back at least 6 feet from all lot lines abutting streets;

e. Within the PSM 85-120 zone in the area shown on Map A for 23.49.180, departures may be granted from development standards that apply as conditions to additional height, except for floor area ratios and provisions for adding bonus floor area above the base FAR;

f. Within the Pike/Pine Conservation Overlay District shown on Map A for 23.73.004, departures may be granted from 1) development standards that apply as conditions to additional height in subsections 23.73.014.A and 23.73.014.B, and 2) the provision for receiving sites for transfer of development potential in subsection 23.73.024.B.5;

g. Departures of up to 10 feet of additional height may be granted if the applicant demonstrates that (1) the departure is needed to protect either an exceptional tree, as defined in Section 25.11.020, or a tree greater than 2 feet in diameter measured 4.5 feet above the ground, that is located on the lot, and (2) avoiding development in the tree protection area will reduce the total development capacity of the site.

Amendment 3B: Special Review District & Preservation Board – Land Use Code Departures Sponsor: Councilmember Johnson

This amendment would modify the duties of Special Review District Boards and Landmark Preservation Boards by authorizing these Board to make recommendations to SDCI on waivers or modifications of Land Use Code development standards.

Note:

- Language proposed to be added by this amendment is shown with a double underline.
- Language proposed to be deleted by this amendment is shown with ((double strikeout)).
- This amendment will require renumbering Sections 2 through 33 in CB 119057

Section 16. Section 23.66.020 of the Seattle Municipal Code, last amended by Ordinance 124843, is amended as follows:

23.66.020 - Special review boards

* * *

- D. The special review board shall review applications for certificates of approval, and all petitions or applications for amendments to the Official Land Use Map, conditional uses, special exceptions, variances, land use code development departures, and planned unit developments or planned community developments and shall make a recommendation on any such application or petition to the Department of Neighborhoods Director.
- E. The special review board may, in its discretion, make recommendations to the Mayor, the Council, and any public or private agency concerning land use and development in the district.

* * *

Section 17. A new Section 23.66.060 is added to the Seattle Municipal Code as follows:

23.66.060 Development standard departures

A. Departures from Land Use Code requirements to waive or modify application of development standards may be permitted for new multifamily, commercial, and Major Institution

development as part of a certificate of approval. Departures may be granted where an applicant demonstrates that the waiver or modification would result in a development that better meets the intent of adopted design guidelines and are consistent with the requirements of Chapter 23.66, the district use and development standards, and the purposes for creating the district.

- B. Departures may be granted from any Land Use Code standard or requirement, except for the standards or requirements described in subsection 23.41.012.B.
- <u>C. A Special Review Board shall recommend to the Director of the Department of Neighborhoods whether to approve, condition, or deny any departure.</u>
- D. The Director of the Department of Neighborhoods, after review and recommendation
 by a Special Review Board, shall recommend to the Director of the Seattle Department of
 Construction and Inspections whether to approve, condition, or deny any requested departures.

E. Departures authorized by this Section 23.66.060 do not limit the approval of waivers or modifications of development standards permitted by other provisions of Chapter 23.66 or other titles of the Seattle Municipal Code.

* * *

Section #. A new Section 25.12.735 is added to the Seattle Municipal Code as follows:

25.12.735 Development standards departures

A. Departures from Land Use Code requirements to waive or modify application of development standards may be permitted for new multifamily, commercial, and Major Institution development as part of a certificate of approval. Departures may be granted where an applicant demonstrates that the waiver or modification would result in a development that better meets the intent of the adopted development and design guidelines and are consistent with requirements specific to the landmark site or district.

B. Departures may be granted from any Land Use Code standard or requirement, except for the standards or requirements described in subsection 23.41.012.B.

C. The Landmarks Preservation Board, or the applicable Landmark District Board or

Historical Commission, shall recommend to the Director whether to approve, condition, or deny
any requested departures from Land Use Code development standards.

D. The Director, after review and recommendation by a Landmark Preservation Board,

Landmark District Board or Historical Commission, shall recommend to the Director of the

Seattle Department of Construction and Inspections whether to approve, condition, or deny any requested departures.

E. Departures authorized by this Section 25.12.735 do not limit the approval of waivers or modifications of development standards permitted by other provisions of Title 25 or other titles of the Seattle Municipal Code.

Amendment 4A: Type of Design Review for projects electing MHA performance option Sponsor: Councilmember Johnson

This amendment would incentivize projects that choose the performance option for the MHA program.

Note:

- Language proposed to be added by this amendment is shown with a double underline.
- Language proposed to be deleted by this amendment is shown with ((double strikeout)).

Section 5. A new Section 23.41.004 is added to the Seattle Municipal Code as follows:

23.41.004 Applicability

* * *

Table A for 23.41.004

Design review thresholds by size of development and specific site characteristics outside of downtown and industrial zones

If any of the site characteristics in part A of this table are present, the design review thresholds in part B apply. If none of the site characteristics in part A of this table are present, the design review thresholds in part C apply.

A.	Category	Site Characteristic
	A.1. Context	a. Lot is abutting or across an alley from a lot with single-family zoning.b. Lot is in a zone with a maximum height limit 20 feet or greater than the zone of an abutting lot or a lot across an alley.
	A.2. Scale	a. Lot is 43,000 square feet in area or greater.b. Lot has any street lot line greater than 200 feet in length.

		Table A for 23.41.004					
Des	Design review thresholds by size of development and specific site characteristics outside of						
	dow	vntown and industrial zones					
	A.3. Special features	a. Development proposal includes a Type IV or V Council Land Use Decision.					
		b. Lot contains a designated landmark structure.					
		c. Lot contains a character structure in the Pike/Pine Overlay District.					
В.	Development on a lot containing any of the specific site characteristics in part A of this table is subject to the thresholds below.						
	Amount of gross floor area of development	Design review type((²))¹					
	B.1. Less than 10,000 square	No design review					
	feet						
	B.2. At least 10,000 but less	Hybrid design review ²					
	than 20,000 square feet						
	B.3. 20,000 square feet or greater	Full design review ³					
C.	Development on a lot not contatable is subject to the threshold	aining any of the specific site characteristics in part A of this ls below.					
	Amount of gross floor area of development	Design review type((²))¹-					
	C.1. Less than 10,000 square feet	No design review					
	C.2. At least 10,000 but less than 20,000 square feet	Administrative design review					
	C.3. 20,000 square feet or greater	Hybrid design review ²					

Table A for 23.41.004

Design review thresholds by size of development and specific site characteristics outside of downtown and industrial zones

Footnote to Table A for 23.41.004

- ¹ Applicants for any development proposal subject to hybrid design review may choose full design review instead, and applicants for any project subject to administrative design review may choose hybrid or full design review.
- ² <u>Development proposals that would be subject to hybrid design review, may elect to be reviewed pursuant to the administrative design review process according to Section 23.41.015 if the applicant elects the mandatory housing affordability (MHA) performance option according to Sections 23.58B.050 or 23.58C.050.</u>
- ²Development proposals that would be subject to full design review, may elect to be reviewed pursuant to the hybrid design review process according to Section 23.41.016 if the applicant elects the MHA performance option according to Sections 23.58B.050 or 23.58C.050.

Amendment 4B: Meeting Caps for MHA Performance Projects Sponsor: Councilmember Johnson

This amendment would incentivize projects that choose the performance option for the MHA program by applying meeting caps to those projects, even if the project is seeking a departure.

Note:

- Language proposed to be added by this amendment is shown with a double underline.
- Language proposed to be deleted by this amendment is shown with ((double strikeout)).

23.41.008 Design Review ((Board)) general provisions

* * *

E. Meetings of the Design Review Board ((-))

* * *

3. Design Review Board meetings are limited to the maximum number described

in Table A for 23.41.008.

<u>Table B for 23.41.008</u> <u>Maximum number of Design Review Board meetings for certain projects</u>					
Type of design review	Early design guidance meetings	Recommendation meeting			
Full design review	<u>2^{1,2}</u>	<u>1</u> ^{1,2}			
Hybrid design review	<u>N/A</u>	<u>2^{1,2}</u>			

Footnotes to Table B for 23.41.008

The project lot is abutting or across the street from a lot in a single family zone; The development proposal includes a Type IV or Type V Master Use Permit component as described in Chapter 23.76; or

<u>Departures are requested, unless the project applicant elects the MHA performance option according to Sections 23.58B.050 or 23.58C.050.</u>

¹There is no limit to the number of Board meetings when:

²The Director may require additional Design Review Board meetings according to subsection 23.41.008.E.4.

Amendment 5A: Eliminate the Hybrid Pilot

This amendment would eliminate the Pilot Program for Hybrid Design Review.

Note:

Language proposed to be added by this amendment is shown with a <u>double underline</u>.

Language proposed to be deleted by this amendment is shown with ((double strikeout)).

Note that sections will need to renumbered if this amendment is adopted.

23.41.015 Hybrid design review process

* * *

- C. Early design guidance process. The applicant must follow the early design guidance process set forth in subsection 23.41.016.C ((, except that projects that are participating in the Pilot Program for Hybrid Design Review authorized by Section 23.41.022 must follow the early design guidance process set forth in subsection 23.41.014.C)).
- D. Guideline priorities. The guideline priorities shall be identified and made available as set forth in 23.41.016.D ((except that, for projects participating in the Pilot Program for Hybrid Design Review-authorized by Section 23.41.022, the guideline priorities shall be identified and made available as set forth in subsection 23.41.014..D)).
 - E. Application for Master Use Permit
- 1. Once the guideline priorities are made available by the Director, the applicant may apply for a Master Use Permit (MUP).
- 2. In addition to submitting information required in a standard MUP application, as prescribed in Chapter 23.76, the applicant shall include in the MUP application such additional information related to design review as the Director may require.
- F. Design review recommendation. The design review recommendation shall occur as set forth in subsection 23.41.014.F((, except that for projects that are participating in the Pilot

Program for Hybrid Design Review authorized by Section 23.41.022, design review recommendation shall occur as set forth in subsection 23.41.016.F)).

Section 14. A new Section 23.41.022 is hereby added to the Seattle Municipal Code, as follows:

((23.41.022 Pilot Program for Hybrid Design Review

A. Applications

1. Enrollment period. The enrollment period for the Pilot Program for Hybrid

Design Review expires on the earlier of July 1, 2019, or when applications for the first 25

projects have been submitted after the effective date of the ordinance introduced as Council Bill

XXXXXX that meet the requirements of subsection 23.41.022.A.2.

2. Application requirements. In order to qualify for the Hybrid Design Review
Pilot Program, an applicant shall submit a complete application for the early design guidance
process to the Director that clearly indicates interest in participation in the Pilot Program for
Hybrid Design Review. Applications shall be accepted according to the date that the complete
application is submitted.

B. Minimum standards. A project shall qualify for the Pilot Program for Hybrid Design

Review if the project meets the applicability standards for hybrid design review in Section

23.41.004.

C. Hybrid design review process. Projects participating in the Pilot Program for Hybrid

Design Review shall meet all requirements for the hybrid design review process in Section

23.41.015.

Design Review are required to remain in the program through the completion of the hybrid

design review process in Section 23.41.015, except that any projects subject to hybrid design review may choose to be reviewed through full design review pursuant to Section 23.41.014.))

* * *

((Section 31. The City Council requests that the Seattle Department of Construction and Inspections (SDCI) review the outcomes of the Pilot Program for Hybrid Design Review after the pilot expires, and make recommendations to the Chair of the Planning Land Use and Zoning Committee by December 31, 2019.))

Amendment 5B: Hybrid Pilot – Evaluation Criteria

This amendment would reduce the number of projects that could elect to participate in the proposed "Hybrid Pilot" and would add criteria to evaluate the program.

Note:

Language proposed to be added by this amendment is shown with a <u>double underline</u>.

Language proposed to be deleted by this amendment is shown with ((double strikeout)).

23.41.022 Pilot Program for Hybrid Design Review

A. Applications

1. Enrollment period. The enrollment period for the Pilot Program for Hybrid Design Review expires on the earlier of July 1, 2019, or when applications for the first ((25)) 5 projects have been submitted after the effective date of the ordinance introduced as Council Bill 119057 that meet the requirements of subsection 23.41.022.A.2.

* * *

Section 31. The City Council requests that the Seattle Department of Construction and Inspections (SDCI) review the outcomes of the Pilot Program for Hybrid Design Review after the pilot expires, and make recommendations to the Chair of the Planning Land Use and Zoning Committee by December 31, ((2019)). The review shall compare the outcomes for projects participating in the Pilot Program for Hybrid Design Review to projects participating in the Hybrid Design Review process. The comparison shall include, but is not limited to, project review times, the number of appeals filed, the number of requests to the Director for reconsideration of the design review recommendation or the Master Use Permit decision, the number of Design Review Board meetings required to complete the process, and the volume of written public comment.

Amendment 8A: Thresholds for projects in rezone areas Sponsors: Councilmember Johnson, Councilmember Herbold

This amendment would establish a lower threshold for determining if a project is subject to design review. The lower threshold would only apply to development located in an area that that was rezoned from a single-family zone to a LR3 or higher zone within five years after the effective date of the Ordinance.

Note:

Language proposed to be added by this amendment is shown with a <u>double underline</u>.

Language proposed to be deleted by this amendment is shown with ((double strikeout)).

Section 5. A new Section 23.41.004 is added to the Seattle Municipal Code as follows:

23.41.004 Applicability

* * *

Table A for 23.41.004

Design review thresholds by size of development and specific site characteristics outside of

downtown and industrial zones

If any of the site characteristics in part A of this table are present, the design review thresholds in part B apply. If none of the site characteristics in part A of this table are present, the design review thresholds in part C apply.

A.	Category	Site Characteristic
	A.1. Context	a. Lot is abutting or across an alley from a lot with single-family zoning.b. Lot is in a zone with a maximum height limit 20 feet or greater than the zone of an abutting lot or a lot across an alley.
	A.2. Scale	a. Lot is 43,000 square feet in area or greater.b. Lot has any street lot line greater than 200 feet in length.

Table A for 23.41.004				
Design review thresholds by size of development and specific site characteristics outside of				
downtown and industrial zones				
	A.3. Special features	a. Development proposal includes a Type IV or V Council Land Use Decision.		
		b. Lot contains a designated landmark structure.		
		c. Lot contains a character structure in the Pike/Pine Overlay District.		
В.	Development on a lot containing any of the specific site characteristics in part A of this table is subject to the thresholds below.			
	Amount of gross floor area of development	Design review type((²))¹		
	B.1. Less than 10,000 square feet	No design review ²		
	B.2. At least 10,000 but less than 20,000 square feet	Hybrid design review		
	B.3. 20,000 square feet or greater	Full design review		
C.	Development on a lot not containing any of the specific site characteristics in part A of this table is subject to the thresholds below.			
	Amount of gross floor area of development	Design review type((²))¹		
	C.1. Less than 10,000 square feet	No design review ²		
	C.2. At least 10,000 but less than 20,000 square feet	Administrative design review		

Table A for 23.41.004

Design review thresholds by size of development and specific site characteristics outside of

downtown and industrial zones

C.3. 20,000 square feet or	Hybrid design review
greater	

Footnote to Table A for 23.41.004

¹ Applicants for any development proposal subject to hybrid design review may choose full design review instead, and applicants for any project subject to administrative design review may choose hybrid or full design review.

Development that is (1) at least 5,000 square feet but less than 10,000 square feet and (2) is proposed on a lot that was rezoned from a Single-family zone to a Lowrise 3 (LR3) zone, any Commercial (C) zone, or a Neighborhood Commercial (NC) zone, within five years after the effective date of the Ordinance introduced as Council Bill 119057, is subject to administrative design review. This requirement shall only apply to applications for new development submitted on or before December 31, 2023.