

recommendations by SDCI and the Hearing Examiner and recommended approval of the contract rezone to the Full Council.

Findings of Fact

The Council hereby adopts the Hearing Examiner's Findings of Fact as stated in the Findings and Recommendation of the Hearing Examiner dated September 7, 2021, with an amendment to Finding of Fact No. 8 as amended below:

* * *

8. Applicable Law. Criteria for assessing a site-specific rezone request are at SMC 23.34.004 (contract rezones), 23.34.006 (application of MHA suffixes in Type IV rezones), 23.34.007 (rezone evaluation), 23.34.008 (rezone criteria), 23.34.009 (height limits), and 23.34.020 (LR-3 locational criteria). The key consideration is zoning compatibility with the area's land use characteristics.

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Conclusions

The Council hereby adopts the Hearing Examiner's Conclusions as stated in the Findings and Recommendation of the Hearing Examiner dated September 7, 2021, with the following amendments to Conclusion No. 3:

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3. Rezone Criteria. Applicable sections of Ch. 23.34 SMC on rezones are weighed and balanced together to determine the most appropriate zone and height designation. Zone function statements are used "to assess the likelihood that the area proposed to be rezoned would function as intended." "No single criterion ... shall be applied as an absolute requirement or test of the appropriateness of a zone designation ... unless a provision indicates the intent to constitute a requirement..." The most appropriate zone designation is the one "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."

Match Between Zone Criteria and Area Characteristics

The Proposal meets criteria for best matching the characteristics of the area with the appropriate zoning district. Both sites are split zoned. The Proposal would allow the parcels to be within the same zone. Besides unifying the zoning on Rezone Parcel 1, the rezone allows an intensification of residential use. SHA is contemplating redeveloping the Rezone Parcel 2 site with affordable housing units. The LR-3 zoning would allow for optimal site layout. Rezoning to LR3 (M) will facilitate the use of the MHA suffix. With the rezone, redevelopment will either provide on-site affordable housing or pay an affordable housing fee. Consistent with SMC 23.34.006 and 23.34.020, the two sites are well-suited for the LR-3 (M2) zone as they are:

- Within an existing multifamily neighborhood;
- Near an arterial street characterized by a mix of structures of low and moderate scale;
- Near neighborhood commercial zones with comparable height and scale;
- Well served by public transit;
- In an area with direct arterial street access which can accommodate anticipated traffic without using streets passing through lower density residential zones; ((and,))
- Well supported by existing or project facilities and services including retail sales and services, parks, and community centers with good pedestrian access((-)); and
- A rezone from a Category 1 to a Category 3 zone under SMC 23.34.006, requiring an M2 MHA suffix.

Weighing and balancing the applicable sections of Ch. 23.34 SMC together, the most appropriate zone designation for the site is LR-3 (M2) with a PUDA.

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Decision

The Council hereby **GRANTS** a rezone of the Property from SF 7200 to LR3 (M2), as shown in Exhibit A. The rezone is subject to the execution of Property Use and Development Agreements requiring the owners to comply with the following conditions found in the Hearing Examiner's recommendation, with the amendments shown below, which are adopted by the Council.

Rezone Parcel 1:

1. The rezone includes a Mandatory Housing Affordability designation of M₂.
2. Development of the rezoned property shall be subject to the requirements of SMC 23.58 B and/or 23.58 C. The PUDA shall specify the payment and performance calculation amounts for purposes of applying SMC 23.58 B and/or 23.58 C.
3. Development of the rezoned property shall be in substantial conformance with the approved plans for Master Use Permit record number 3023581-LU.

Rezone Parcel 2:

1. The rezone includes a Mandatory Housing Affordability designation of M₂.
2. Development of the rezoned property shall be subject to the requirements of SMC 23.58 B and/or 23.58 C. The PUDA shall specify the payment and performance calculation amounts for purposes of applying SMC 23.58 B and/or 23.58 C.
- ~~((3. Development of the rezoned property shall be in substantial conformance with the approved plans for Master Use Permit record number 3023581-LU.))~~

Dated this _____ day of _____, 2021.

City Council President

ATTACHMENT A

