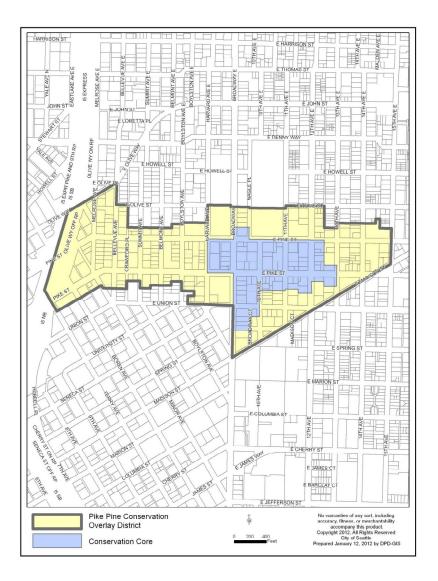
# Staff Report—June 20, 2013 Proposal to amend the Pike/Pine Conservation Overlay District

#### Summary of the Proposal

For the past five years, the City Council has been working with the Pike/Pine community to amend land use regulations and design guidelines for the Pike/Pine Conservation Overlay District ("District"). Below is a map of the District. The intent of the District is to:

- Promote mixed-use development;
- Keep new development compatible and in scale with the neighborhood;
- Encourage small, diverse local businesses;
- Preserve pre-1940 buildings (called "character structures" in the Land Use Code) that contribute to the character of the neighborhood; and
- Retain and attract arts and cultural uses.



The Council adopted legislation to further these goals in 2009, 2010, and 2011. Councilmembers Tom Rasmussen and Sally Clark are now sponsoring amendments to the District that address

concerns raised by the recent development boom in the Pike/Pine neighborhood. Many of the developments that have been proposed in the past two years are on much larger sites (over 30,000 square feet) than was anticipated in the current regulations. Of the 13 sites developed between 2011 and March 2013, only one project (8% of the total) was larger than 21,000 square feet. That project was the 12<sup>th</sup> Avenue Arts building, which reused a 29,000 square foot parking lot and did not result in the demolition of any character structures.

In contrast, of the nine projects that are currently in the permit process, four (44%) have sites greater than 21,000 square feet in size, and three of these sites are larger than 44,000 square feet. Because of this increase in site size, the proposed buildings are more massive than the older structures in the area. This has raised concerns about whether the new structures are compatible with the scale of the neighborhood. In addition, sites this large generally include more than one character structure, and this has led to questions about how many older structures must be retained in order to earn the zoning incentives.

A separate issue raised by the new development is that the balance between residential and commercial uses in this mixed-use area is tipping too far towards housing. Residential development has far exceeded the 2024 growth target for the neighborhood, leading to neighborhood concerns that the neighborhood does not have enough day-time activity to support local businesses.

The legislation proposes two changes to address these issues that would focus primarily on larger lots. The amendments would:

- 1. Require that *all* character structures on a lot be partially retained when zoning incentives are used, and give the Design Review Board the flexibility to grant departures from this requirement with guidance from proposed new criteria in the code.
- 2. Reduce the bulk of buildings on large lots by further limiting the amount of floor area that can be built above a height of 35 feet (approximately three floors) by:
  - Allowing only one portion of a structure to extend above 35 feet in height, regardless of site size.
  - Eliminating the current exception to floor size limits that allows portions of a new structure that extend over an existing character structure to be exempt from limits on floor size.
  - Adding maximum width and depth limits on lots within the Conservation Core for portions of a structure above 35 feet in height on lots not occupied by a character structure.

In addition to addressing the concerns raised by recent development on large lots, the legislation proposes several amendments intended to make it easier to retain older buildings and to use and understand the District regulations. These amendments would apply to lots of all sizes. The changes would:

1. Lift the current limit on the floor area ratio (FAR) for nonresidential uses to allow more square feet of commercial use on lots that are 18,000 square feet or less in size. The change would apply only to lots where the new development would not result in the removal of a character structure. It would promote more employment and daytime activity to balance the large amount of residential units, restaurants, and entertainment businesses that have been built recently, without increasing the pressure to demolish character structures.

- 2. Remove regulatory barriers by stating that portions of character structures that are retained as part of a larger development are considered to be existing structures for the purposes of applying street-level development standards. As a result, developers would not have to choose between changing a character structure in order to meet current standards and having to request design departures from the Design Review Board.
- 3. Exclude street level floor area in characters structures that are retained as part of a new development from the calculation of floor area used to determine the number of small commercial spaces required at street level, if the original structure was designed to accommodate large spaces at street level.
- 4. Allow automotive sales and service uses to be located in character structures, to support retention of Pike/Pine's "auto row" character.
- 5. Make the regulations easier to use by combining all the standards for retaining character structures into a single code section. This new section would provide more guidance about retaining character structures when zoning incentives are used.
- 6. Clarify the regulations by making technical corrections.

This report discussion the main changes proposed by the legislation, and also provides a section by section summary of the each section of the bill in Table 3 starting on page 11. A table that compares current and proposed zoning incentives for retaining character structures is on page 16.

#### Schedule and Next Steps

City staff have been working with representatives of the Pike/Pine Urban Neighborhood Coalition (P/PUNC) on possible code amendments since the spring of 2012, including meetings in April and October 2012, and in April and May 2013. The City Council also hired a consultant to advise the City on other possible conservation district models. However, the community strongly recommended that rather than creating a new system, the current regulations should be improved.

Based on suggestions from community representatives, a draft proposal was published for public review on May 23, 2013. After making further revisions to the draft proposal in response to public comment, Councilmembers Clark and Rasmussen are sponsoring legislation for Council review starting in July 2013. There will be further opportunity for public input during the Council review process, including a public hearing. Comments on the proposed legislation may be sent to:

City Councilmember Tom Rasmussen Seattle City Hall PO Box 34025 Seattle WA 98124-4025 tom.rasmussen@seattle.gov

Electronic versions of the staff report and proposed legislation are available at the City Council website at this link: <u>http://www.seattle.gov/council/rasmussen/pike\_pine.htm.</u> Paper copies of the may be obtained at the DPD Public Resource Center, 700 5th Avenue, Suite 2000 in the Seattle Municipal Tower. The Public Resource Center is open 8:00 a.m. to 4 p.m. on Monday, Wednesday, and Friday, and 10:30 a.m. to 4:00 p.m. on Tuesday and Thursday.

Questions regarding the proposed amendments may be directed to Rebecca Herzfeld of City Council central staff at (206) 684-8148 or via email at <u>rebecca.herzfeld@seattle.gov</u>, or to Dennis

Meier of the Department of Planning and Development (DPD) at (206) 684-8270 or via email at dennis.meier@seattle.gov.

Table 1 below outlines the schedule for Council review.

Table 1: Schedule for Amendments to Pike/Pine Conservation Overlay District			
Proposed Actions	Date (all in 2013)		
Publish notice of final staff report, proposed legislation, and	June 20		
the environmental determination for the legislation			
Introduction of Council-generated legislation	Early July		
Council Economic Resiliency and Regional Relations	Mid-July		
Committee (CERRR) briefing			
End of appeal period on environmental determination* on the	July 11		
proposed code amendments			
CERRR public hearing	Late July or early August		
CERRR review of legislation and possible vote	September 10 or 17 (depends		
	on hearing date)		
Full Council vote on legislation	September 16 or 23		

Table 1. Schodule for Amondments to Pike/Pine Conservation Overlay District

\*The remainder of the schedule assumes there is no appeal of the environmental review.

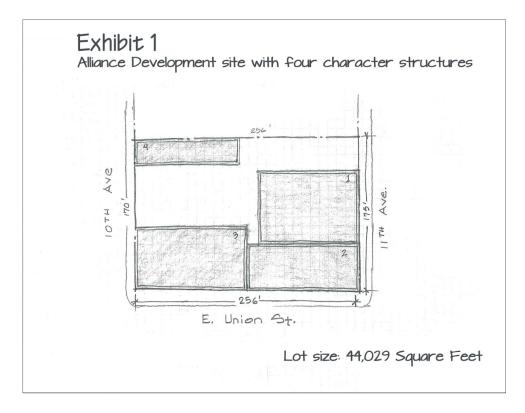
### **Overview of Proposed Code Amendments**

#### 1. Demolition of character structures

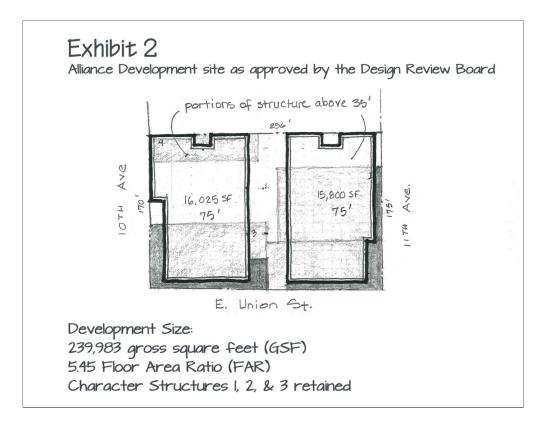
The current District regulations encourage the retention of character structures (buildings in existence prior to 1940) by providing a ten-foot height increase, an exemption of residential floor area from FAR calculations, and larger floor sizes above a height of 35 feet if character structures are retained. These incentives are granted only if the facades of the character structure visible from the street are preserved, and any new structures are set back at least 15 feet from those facades. However, no incentives may be used if a landmark structure is demolished, or if a character structure is demolished that is identified in DPD Director's Rule 3-2012. This Rule lists the structures that the Department of Neighborhoods has surveyed and determined to have a high degree of architectural integrity, represent the area's building typology, and compatibility with the architectural scale, rhythm, and patterns of other structures in the Pike/Pine neighborhood.

As noted on page 2, development is occurring in Pike/Pine on much larger sites than was typical in the past, often on sites with two or more character structures. The scale of this new development is greater than anticipated, in part because of the use of zoning incentives. Because a project can use the incentives to increase floor area even if some character structures are demolished, community members have proposed that the incentives should only be available to projects that retain all the character structures on the lot.

This issue about development on large lots first came up during the review of the Alliance property at 1414 10<sup>th</sup> Avenue in March, 2012. The site contained four character structures (see Exhibit 1 below). The original designs proposed by the developer only retained the minimum number of character structures (two) needed to take advantage of the incentives for height and floor size incentives for the two portions of the development that extended above 35 feet.



After several meetings of the Design Review Board, the developer agreed to retain portions of all but character structure #4, which was a small wood-frame garage, in order to gain approval of requested design departures. Exhibit 2 below illustrates the approved design.



To address the concern about large sites with multiple character structures, the proposal would amend the code to state that incentives may not be used if *any* character structure on the site is demolished. The Design Review Board would be given the authority to grant a departure from this proposed requirement, based on criteria in a new code section (23.73.015.F). In order to provide greater predictability, the criteria would:

- Permit the use of incentives if wood-frame character structures that were originally built as a single-family residences or as accessory structures such as garages are demolished; and
- Not permit use of incentives if a character structure is demolished that is included DPD Director's Rule 3-2012.

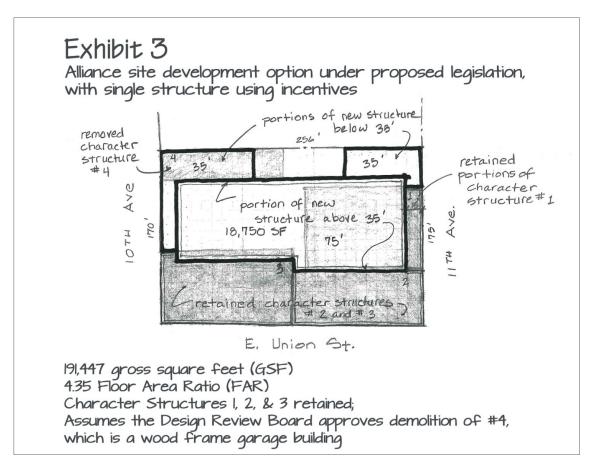
For non-wood-frame character structures that are not listed in DPD Director's Rule 3-2012, the Board would consider proposed criteria that address the architectural integrity of the character structure proposed for demolition, and whether it represents and is compatible with the neighborhood's building typology. The Board would also consider whether demolition would allow for more substantial retention of other, more significant character structures on the lot, or would contribute to achieving other key neighborhood development objectives. Under the proposed criteria, it is probable that the Alliance developer would have proposed a design similar to the one that was eventually approved, which retained character structures 1, 2, and 3. And requested a departure to allow the use of incentives while demolishing character structure 4.

#### 3. Floor size limits

In order to reduce the bulk of new development and help it fit in better with the neighborhood, the current code sets a 15,000 square foot limit on the size of floors above 35 feet in height. To earn a 15% increase in the upper level floor size limit, a developer may provide arts space or affordable housing. To earn a 25% increase, one portion of a character structure must be retained for each part of the new building that exceeds the floor size limit. Two parts of the new structure may earn the 25% increase, provided that they are at least 40 feet apart.

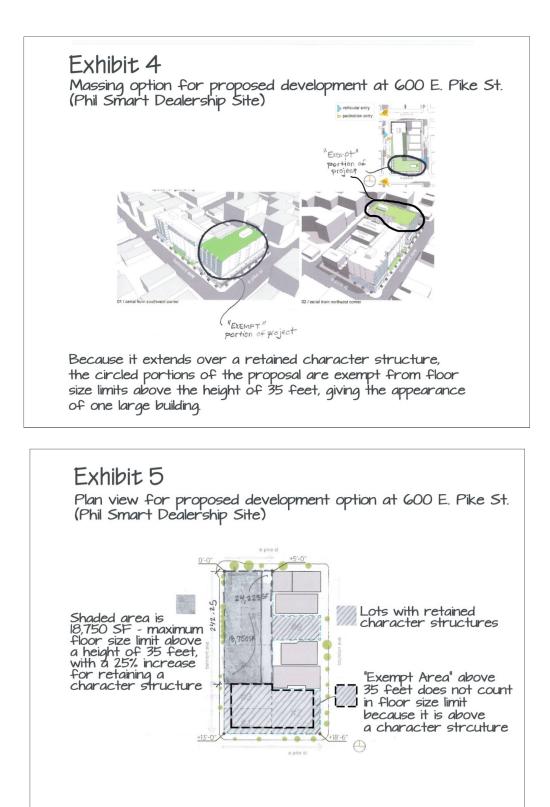
On larger sites (generally over 30,000 square feet in size), the incentive that allows a 25% increase in upper level floor size when a character structure is retained can result in bulky buildings. This is especially true on lots that are large enough to accommodate two or more portions of the new building that are over 15,000 square feet in size and 40 feet apart, as was the case with the Alliance site (Exhibit 2 above illustrates that two portions of the proposed structure extend above 35 feet). The proposal would reduce the bulk of new structures on large sites by allowing only one portion of the building to extend above 35 feet in height, regardless of site size.

Again using the Alliance site as an example, Exhibit 3 below illustrates one possible design for a structure that would meet the proposed new standards while taking advantage of the District's zoning incentives. This option would retain more of character structures 2 and 3 than the approved design shown in Exhibit 2. However, it would also be approximately 191,000 square feet in size, about 20% smaller than the approved design. If the developers of the site wanted to increase the size of the building, they could divide the lot into two separate sites and build a project of approximately the same size as the approved design. The two projects would need to have separate underground garages if parking is provided.



Another option for a developer under the proposed changes would be to split the site into two lots, demolish all the character structures, and build without using the incentives. If this were done on the example site, DPD staff estimates that the square footage that could be achieved is about 192,000, or approximately the size of the option in Exhibit 3.

A second problem with the current upper floor size limits is that the floor area of a new building that extends over a smaller character structure retained on the site is exempt from the limit. This exemption was intended to incentivize retention of character structures. However, it actually encourages new buildings to become more bulky by extending out as much as possible above character structures, since the extended floor area doesn't count towards the floor size limit. Exhibits 4 and 5 below illustrates how the exemption can increase the size of a building on a large lot, using an initial design review massing diagram proposed for the Phil Smart site.



To address the unintended effect of this incentive and encourage new buildings to be more in scale with the existing neighborhood, the proposal would remove the exemption of floor area that extends over a retained character structure.

**3.** Floor Area Ratio (FAR) limits for nonresidential uses. The current District regulations include a restriction on nonresidential uses that was established as part of the original 1995 overlay provisions. It was intended to promote a mixed use neighborhood with a residential emphasis. Within the District, nonresidential uses are subject to a lower FAR limit than would otherwise apply under the base commercial zoning (2 vs. 4.25 FAR in most of the District), with two exceptions. One exception allows the FAR of the underlying zone on lots 18,000 square feet or less in size, if the lot is located on the edge of the District and meets certain criteria. The other exempts lots 8,000 square feet or less in size from all FAR limits, if the lot is currently vacant or used for parking.

One of the main purposes of the 1999 Pike/Pine Neighborhood Plan was to discourage large commercial buildings from "jumping the freeway" from downtown and displacing housing. District regulations have accomplished this very successfully. There has been no significant development of nonresidential projects in the area since the District was established, while residential development has far exceeded projected growth targets. Since 2010, of the 22 projects that have were completed, are under construction, or are currently in the permitting process, only two (about nine percent), are predominantly nonresidential. These are a small retail and office project with three housing units, and a gymnasium facility for the Northwest School. The same 22 projects account for an addition of over 2,400 units in the area – an amount that is almost four times the twenty-year Comprehensive Plan housing growth target for 2024 (information on growth is summarized in Table 2 below).

	2004 Actuals	<b>2010 Estimated</b> <b>Existing</b> (Both meet the 2024 growth targets)	Growth since 2010, including projects under construction and permit applications	2010 existing plus current projects	2004 to 2024 Comprehensive Plan Growth Targets
Housing (Dwelling units)	2,800	3,442	2,400	5,842	600 new units
Employment (Jobs)	4,580 (in 2002)	5,600	Not available	Not available	1,000 new jobs

Table 2: Housing and Job Growth in the Pike/Pine Neighborhood

Because of the tremendous housing growth in Pike/Pine, community members are concerned that the mix of uses is becoming too dominated by housing. They have expressed interest in lifting the current FAR restriction for nonresidential uses, in order to promote more employment and daytime activity. This would provide more customers for retail, restaurant, and service uses during the day, and achieve a better balance with residential uses and nighttime activities such as entertainment venues. The goal is to do this without increasing the pressure to demolish character structures.

To respond to this concern, the amendments propose a partial lift of the restriction on nonresidential FAR limits. The legislation would expand the current exception for lots that are 18,000 square feet or less in size so that it applies everywhere in the District, not just on the edges. However, this FAR exception could only be used if all character structures located on the lot are either fully or partially retained, unless the Design Review Board determines that a character structure may be removed.

Based on analysis by DPD staff, this proposal would allow a modest increase in nonresidential capacity of approximately 207,000 square feet, equal to about three commercial buildings with five stories of 15,000 square feet each (note that ground-floor commercial uses are already exempt from FAR, in order to encourage small local businesses). This would provide the option to build more office or hotel development than is currently allowed, without tipping the balance too far towards commercial uses. Given the well established trend to develop housing in the area, and the more favorable development standards and incentives that continue to apply to residential projects, the expectation is that most future projects will continue to be predominantly residential.

#### 4. Remove regulatory barriers that make it difficult to retain character structures

The proposal would make it easier to save character structures by clarifying that if a project retains a portion of a character structure, that part of the project is treated as an existing building for purposes of applying street-level development standards, such as blank façade limits, transparency requirements, and requirements for small businesses. Currently, developers have had to request design departures from these standards in order to retain the character structure as it was originally built, which creates an additional hurdle for those trying to meet the intent of the regulations. The proposal would also make it easier for projects that retain character structures to meet the requirement that space be provided at ground level for small businesses 2,000 square feet or less in size.

#### 5. Standards for retaining and demolishing character structures

Currently, the standards for retaining a character structure in order to earn an incentive are scattered throughout the Overlay District regulations and in the citywide provisions for design departures, making them hard to find and understand. The proposal would place all the standards for retaining a portion of a character structure in a new section of the code (23.73.015), and add cross-references to this new Section where necessary.

In addition, Section 23.73.015 would include a new set of criteria that would apply if a developer requests a departure for using incentives when a character structure on the site is proposed to be demolished. These new criteria are described on page 6 of this report.

#### 6. Technical corrections

The proposal would also make technical corrections to clarify the District regulations. For example, the definition of a character structure is proposed to be changed. Instead of stating that these are buildings that are at least 75 years old, which adds to the number of character structures as time passes, the proposed definition says that character structures are those that were built before 1940, when Pike/Pine's character as Seattle's auto row was established.

Table 3 below describes both the technical and substantive changes proposed in each section of the legislation. Table 4 summarizes the current and proposed incentives for retaining character structures.

## Attachment A: Summary of Proposed Land Use Code Amendments

	Code Section	Amendment Description ("District" refers to the Pike/Pine Conservation Overlay District)
1.	23.41.012 Design Departures	Delete the criteria for reviewing departures from the standards for retaining a character structure, and move them to the proposed new section 23.73.015 to make the Code easier to use by locating provisions related to retaining character structures in one place.
2.	23.47A.005 - Street Level	Amend the Commercial chapter of the Code to make two provisions consistent with current District regulations:
	uses in Commercial zones	1) Clarify that automotive retail sales and services may be allowed at street level in Pedestrian zones in new structures that retain a character structure, in recognition of Pike/Pine's history as Seattle's original "auto row"; and
		2) Change the list of "Principal Pedestrian Streets" to match the map in the Overlay District. This removes inconsistencies that affect Boylston and Summit Avenues and East Union Street.
3.	23.73.002 – Purpose and Intent	Amend the description of "character structures" to say they are buildings that have been in existence since 1940, rather than that they are buildings that are 75 or more years old (see also amendment #13).
4.	23.73.005 – Adoption of rules to implement District Regulations	Clarify that DPD Director's Rule 3-2012, which lists the character structures that may not be demolished if a developer uses a zoning incentive, may be amended not only by adding buildings to the list but by removing them as well. The process for doing amending the list is already included in the Director's Rule.
5.	23.73.006 – Application of regulations	Correct the cross references in this Section to add the number of the Chapter in the reference.
6.	23.73.008 – Uses at street level	Make it easier for projects that retain character structures to meet the requirement that space be provided at ground level for small businesses 2,000 square feet or less in size, as follows:
		1) Clarify that if a character structure originally had a large single space at ground level (such as an auto showroom), the space does not need to be included in the amount of floor area used to determine the number of small spaces required in the project, and that the space does not have to be partitioned into smaller spaces.
		2) Clarify that the 50-foot limit on the frontage of an individual business on Pike and Pine Streets does not apply to a character structure, if it was designed for use as a single large space.

	Code Section	Amendment Description ("District" refers to the Pike/Pine Conservation Overlay District)
7.	23.73.009 – Floor Area Ratio (FAR)	<ul> <li>1) Allow an increase from 2 FAR for nonresidential uses to 3, 4.25, or 4.5</li> <li>FAR (depending on the underlying commercial zone) for small lots (18,000 square feet or less in size), in order to gain a better balance between residential and commercial activities, as follows::</li> </ul>
		<ul> <li>Removing the current condition that requires the small lot to be located on the boundary of the District, or across from a nonresidential zone.</li> <li>Clarifying that the lot area occupied by a character structure that is retained in its entirety on the lot would not count toward the 18,000 square foot lot size, so that property owners would not be penalized for retaining a character structure.</li> <li>Requiring that character structures on the lot be maintained either partially or in their entirety if the exception is used, and stating that if more than one character structure is located on the lot, at least one entire character structure must be retained.</li> </ul>
		2) Clarify the current FAR exemption for nonresidential uses within a character structure to state that it applies only if the nonresidential use does not displace existing housing that was in the structure <i>on the date the proposed bill is adopted</i> . Setting a specific date would prevent an owner from converting a residential building to nonresidential uses and forcing tenants out of a building in order to qualify for the FAR exemption.
		3) Change the provision allowing all residential uses to be exempt from the FAR limit for projects that do not remove character structures listed in DPD Director's Rule 3-2012, to state that the exemption applies only if all character structures on the lot are retained, unless the Design Review Board allows demolition as a departure according to subsection 23.73.015.F.
		4) Add a cross-reference to the proposed new section 23.73.015 that provides in one place the provisions for "retaining a character structure," both partially and entirely.
8.	23.73.010 – Floor size limits outside the Conservation Core	In order to keep the bulk of new development more in scale with the neighborhood, particularly on large lots:
		1) Retain the floor size limit of 15,000 square feet above a height of 35 feet, but allow <i>only one</i> portion of a structure on a lot to extend above 35 feet in height, regardless of site size (subsection 23.73.010.A).
		2) In the exception that allows a 15% increase in the floor size limit (subsection 23.73.010.B.1), remove the first two of the four conditions for earning the exception. The deleted conditions are related to the design of new development and to site conditions (such as location on the edge of the District), which are better addressed by requesting that the Design Review Board grant a departure from the standards. The remaining two conditions for the exception, which focus on the provision of arts-related uses and low-income housing, would remain, and would be granted

	Code Section	Amendment Description ("District" refers to the Pike/Pine Conservation Overlay District)
		without the need for a discretionary decision by the DPD Director.
		3) In the exception allowing a 15% increase in floor size for arts-related uses, make a technical correction by using the term "artist studio dwelling" rather than "artist live/work space", in order to match the definitions in Section 23.84A.032.
		4) State in the exception that allows a 25% increase in the floor size limit for retaining a character structure (subsection 23.73.010.B.2) that the exception cannot be used if any character structure on the site is demolished, unless the Design Review Board allows demolition as a departure according to subsection 23.73.015.F (note that the 25% increase is available for residential and mixed-use projects, and not projects that are developed to the higher FAR limit for nonresidential uses).
		5) In the exception that allows a 25% increase, delete the provision that permits new square footage built over a character structure to be exempt from the maximum floor size limit. This provision has created an unintended incentive to build on top of character structures.
		6) Clarify that the different exceptions for increases in the floor size limits cannot be combined.
		7) Delete the explanation of what is required to qualify as retention of a character structure, and instead add cross-references to the proposed new Section 23.73.015 that puts these provisions in one place.
9.	23.73.012 -	Clarify this section as follows:
	Structure width and depth limits	1) Reorganize the section so that it is clear which regulations apply inside and outside of the Conservation Core area.
		2) Within the Conservation Core area, clarify that the exemption for portions of a new structure that extend over a character structure from measuring the width or depth limits can only be used for one character structure.
		3) Change the width and depth limits for lots in the Conservation Core area that do not include a character structure. Currently such lots are not subject to a width and depth limit; the proposal would add this requirement for portions of structures above 35 feet in height.
		4) Add cross-references to the proposed new Section 23.73.015 that explains the provisions for "retaining a character structure" to the subsections that exempt character structures from the calculations of maximum width and depth.
10	22 72 014	Clarify this spation as follows:
Height		Clarify this section as follows:
	exceptions	1) Make non-substantive clarifications.
		2) In the height exception that allows an additional 4 feet in height to

	Code Section	Amendment Description ("District" refers to the Pike/Pine Conservation Overlay District)
		accommodate nonresidential uses on the ground floor, state that character structures that are retained as part of a new project will be treated as existing structures for purposes of transparency requirements.
		3) State that the 10-foot height incentive for retaining a character structure cannot be used if any character structure on the site is demolished, unless the Design Review Board allows demolition as a departure according to subsection 23.73.015.F.
		4) Delete the explanation of what is required to qualify as retention of a character structure, and add a cross-reference to the proposed new Section 23.73.015 that puts these provisions in one place.
11.	23.73.015 -	Add a new Section that:
	Retaining a character structure	1) Puts in one place all the provisions for retaining character structures (either a portion or entirely) for the purpose of receiving an exemption or an incentive.
		2) Adds new conditions in subsection 23.7.015.A for the retention of an <i>entire</i> character structure, including:
		<ul> <li>Maintenance of all exterior facades;</li> <li>Limits on significant structural alterations or additions;</li> <li>Allowance for limited additions, such as filling in air courts or similar spaces not visible from the street; and</li> <li>Prohibiting projections of a new structure over the character structure, except for architectural features such as balconies.</li> </ul>
		3) Uses the current provisions from Section 23.73.010 to describe what is required for a <i>portion</i> of a character structure to be considered retained (subsection 23.73.015.B), with the following additions:
		<ul> <li>In the requirement that new structures must be set back at least 15 feet from the street-facing facades of the character structure, allow architectural projections such as cornices, eaves, and balconies to project into the 15-foot setback; and</li> <li>In the requirement that the original floor-to-ceiling height of the character structure be maintained, provides an exception for provision of access to persons with disabilities.</li> </ul>
		4) States in subsection 23.73.015.C that for both full and partial retention of a character structure, the structure must be maintained as approved in the Master Use Permit, and in a manner that complies with applicable codes for the life of the project.
		5) In order to make it easier to preserve the historic aspects of character structures, adds a provision in subsection 23.73.015.D that retained portions of character structures are considered "existing structures" for the purposes of applying the street-level standards in the underlying commercial zone. This would prevent the need for changes to the character structure in order to meet the standards for transparency and

	Code Section	Amendment Description ("District" refers to the Pike/Pine Conservation Overlay District)
		blank walls.
		6) Provides guidance for departures from the standards for retaining a character structure (subsection 23.73.015.E).
		7) Provides criteria for the Design Review Board determination on whether a character structure may be demolished on a lot while still allowing the use of incentives for additional height and upper level floor size (subsection 23.73.015.F).
12.	23.73.024 – Transfer of development	1) State that using transferred development potential allows the receiving site to take advantage of the exception allowing a 25% increase in the upper level floor size limit (subsection 23.73.024.A).
	potential (TDP)	2) State that on the receiving site, all character structures must be retained as entire structures, unless the Design Review Board approves a departure according to subsection 23.73.015.F.
		3) Add cross-references to the proposed new Section 23.73.015 that explains the provisions for "retaining a character structure" (subsection 23.73.024.B).
13.	23.84A.008 "C" [Definitions]	Change the definition of "character structure" to state that such buildings have been in existence since 1940, rather than "for at least 75 years". This clarifies that the focus of the District is on structures that are related to Pike/Pine's history as Seattle's original "auto row".

Incentive	Current	Proposed
Height 10' additional 23.73.014	Retain a portion of one character structure (CS) for each part of the new structure that uses the height incentive	<ul> <li>Retain all CSs on site to earn the incentive.*</li> <li>The height incentive can only be applied to one part of the new structure.</li> </ul>
Upper level floor size limit 15% increase 23.73.010	Increase may be granted by DPD Director for: 1) Location of the lot (such as on the edge of the District) minimizes impacts; 2) Project design reduces perceived building scale; 3) Provision of of arts-related uses such as theaters; and 4) Provision of low-income housing.	<ul> <li>Delete the location and design options.</li> <li>The provision of arts-related uses and low-income housing would be permitted without the need for a discretionary decision by the DPD Director.</li> </ul>
Upper level floor size limit 25% increase 23.73.010	Retain a portion of one CS for each part of the new structure that uses the incentive	<ul> <li>Retain all CSs on site to earn the incentive.*</li> <li>The floor size limit incentive can only be applied to one part of the new structure.</li> </ul>
Upper level floor size limit Square footage built over a CS 23.73.010	Exempt new square footage built over a CS	Do not exempt new square footage built over a CS.
Nonresidential FAR limit 23.73.009	<ul> <li>Nonresidential uses are limited to 2 FAR, except on lots 18,000 square feet or less in size that are located on the edge of the District or across from a commercial zone.</li> <li>Retention of a CS not required.</li> </ul>	<ul> <li>Nonresidential uses are limited to 2 FAR, except on lots 18,000 square feet or less in size.</li> <li>If entire CS is retained, the area it occupies is excluded from the maximum lot size.</li> <li>If there is one CS on the lot, at least part must be retained; if more than one CS, one must be retained entirely, and the other(s) in part*.</li> </ul>
Structure width and depth limits inside the Conservation Core area 23.73.012	<ul> <li>CSs that are retained in entirety or in part are not counted toward width and depth limits, if all character structures on the site are retained.</li> <li>Width and depth limits do not apply to lots that do not contain a CS.</li> </ul>	<ul> <li>The exemption from the limits for new structures that extend over a character structure would apply only to a single character structure.</li> <li>For lots that do not contain a character structure, the width and depth limits apply to portions of the structure above 35 feet in height.</li> </ul>

\*The Design Review Board my grant a departure to the requirement that all CSs are retained if an incentive is used.