

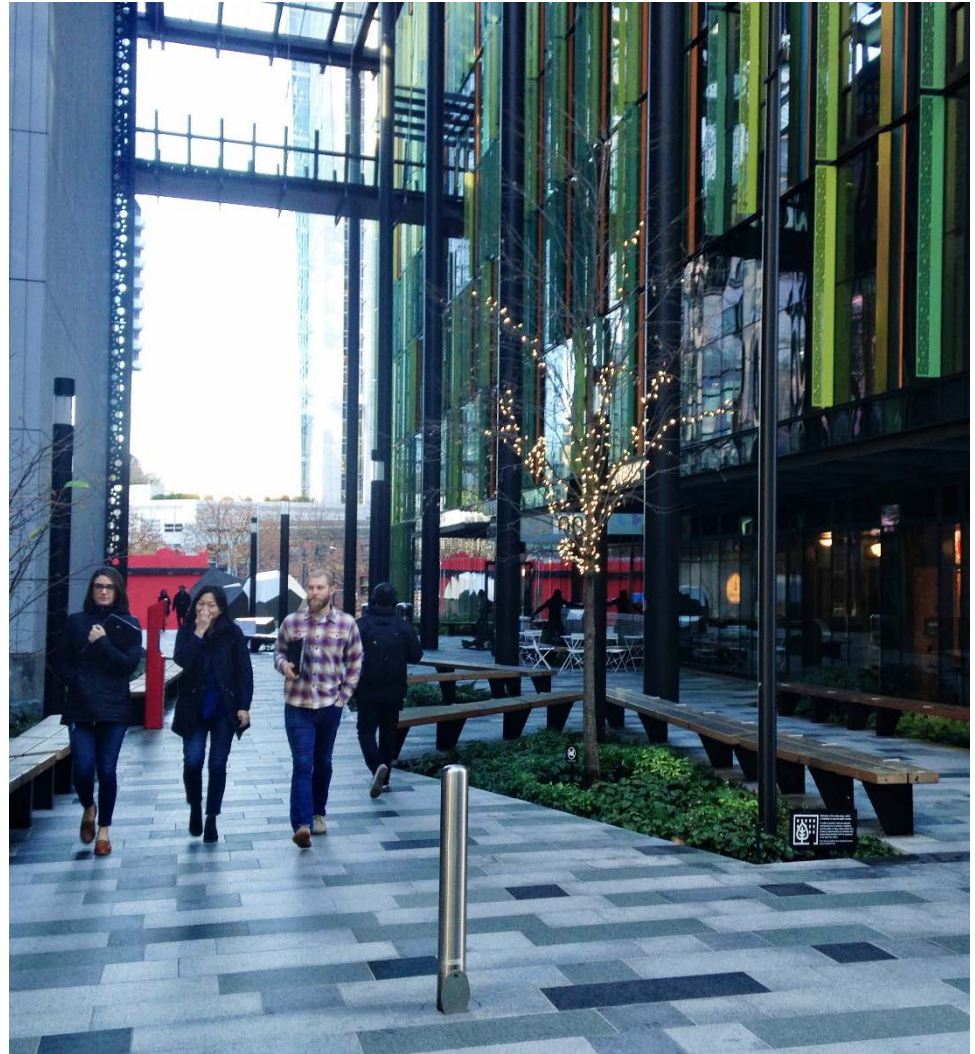
# INCENTIVE ZONING UPDATE

Presented by OPCD Strategic Advisor Brennon Staley  
to the Seattle Planning Commission

June 28, 2018

# Agenda

- Existing Program
- Benefits to Date
- Goal of Update
- Update Process
- Initial Proposal

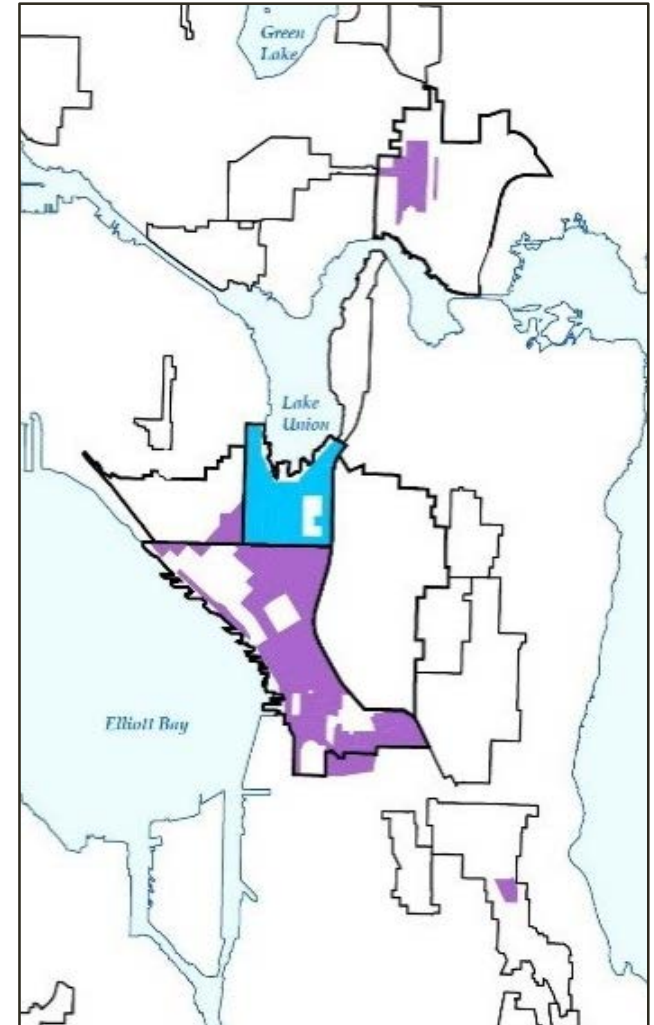


# Incentive Zoning Overview

- Property owners may gain ***extra floor area*** beyond the ***base development limit*** up to a ***maximum development limit*** by providing ***public benefits***
- Was implemented as part of past rezones. Additional development provided by rezone must be earned through incentive zoning.
- Voluntary program; development can build to base without providing public benefits
- Specific provisions vary substantially by area and zone

# Geographic Area

- After MHA implementation, IZ will be available:
  - Downtown (implemented in 1980s, 2001, 2006)
  - South Lake Union (2013)
  - University District (2017)
  - Uptown (2017)
  - North Rainier (2017)
- Council is debating whether there will be incentive zoning in First Hill after MHA implementation



# Public Benefits Options

## Public Benefits Structure South Downtown Example

—Extra FAR— —Base FAR—	Child Care (commercial only) + Compliance with MHA	TDR & Amenities
	<i>Green Building</i> <i>as minimum requirement</i>	<i>Standard</i>
No public benefit requirement		

## TDR & Amenities options:

- Open space
- Green Street Improvement
- Other Amenities (hill climb assists, public bathrooms, human service uses)
- Transfer Development Rights (TDR) from historic buildings, open space, or vulnerable masonry structures

# Public Benefits since 2004

- 1.5M square feet of TDR transferred from Benaroya, Sculpture Park, and 12 historic buildings
- 410 regional development credits preserving 2,000 acres of farm land
- 4 open spaces
- 4 green street improvements
- 1 hill climb assists
- Child care facilities: \$18M and one on-site facility



# Update Goal

---

- Goals of update is to:
  - ▣ create a clear and consistent program;
  - ▣ achieve better outcomes for the public benefits provided; and
  - ▣ improve the City's permitting, tracking, and enforcement processes.
- Not changing development capacity
- Not changing geographic area

# Update Process

- **December 2017 - April 2018:** Program Analysis and Development of Initial Draft Proposal
- **June - September 2018:** Public Engagement on Initial Proposal
- **September 2018 – January 2019:** Develop Ordinance and Director's Report
- **February 2019:** Comment period on updated proposal and ordinance
- **Spring 2019:** Submit legislation to Council for Review and Approval





# Initial Proposal



# Green Building Standard

- Existing standard
  - ▣ Applies in all IZ areas except North Downtown
  - ▣ Projects must be 15% better than energy code minimum and met LEED Gold, Built Green 4-star, or Passive House
- Proposed update
  - ▣ Apply standard to North Downtown
  - ▣ Add following requirements:
    - No fossil fuel use for space heating
    - No electric resistance heating in commercial buildings and common areas of multi-family structures

# Transfer of Development Rights

- Existing program
  - Separate TDR and TDP markets
  - Complex rules on sending and receiving sites
  - Few sales in Belltown, Pioneer Sq, and Chinatown/ID
- Proposed update
  - Merge multiple TDR/TDP markets
  - Allow projects meeting 2030 Challenge to sell more TDR
  - Remove within-block TDR
  - Update Landmark TDR calculation



# Transfer of Development Rights

- Proposed Landmark TDR Calculation =
  - Development capacity
    - existing floor area
    - TDR/TDP previously sold
- Impact
  - Commercial Core: minimal change
  - Belltown: significantly increases ability to sell TDR
  - Waterfront: very large buildings will have less to sell; others will not see change
  - South Downtown: More TDR generally, but less for some lots with large existing buildings; commercial and residential uses treated consistently
  - Uptown, UDistrict, N Rainier: no change

# Open Space & Amenities



- Proposal
  - Consolidate multiple open space options
  - Update open space standards
  - Remove shopping corridors and public atrium
  - Consider a cultural space option
  - Require commercial projects on lots over 30,000 sq ft to set aside 15% at ground level, even if they don't use incentive zoning

# Open Space & Amenities

- Updated open space standards
  - ▣ Have specific standards for location, access, layout, seating, and landscaping
  - ▣ Allow smaller open spaces
  - ▣ Allow more flexibility to accommodate movable chairs and tables on larger sites
  - ▣ Allow more flexibility to allow cafes and other activities that would activate the space
  - ▣ Implement minimum standards for lighting
  - ▣ Require that the spaces must be open to the general public from 6 am to 10 pm (same as public parks)

# Open Space & Amenities

## □ Cultural Space Option

- Must be occupied by not-for-profit organizations dedicated to the creation, display, performance, or screening of art by or for members of the public
- Tenants would have to be approved by the Office of Arts and Culture to ensure their mission is consistent with the allowed uses
- City would not be involved in the setting of rent prices
- Space must have a dedicated entrance at the street level or from a multipurpose lobby.
- Cultural space would be provided for life of the building

# Child Care

- Must provide facility on-site or off-site or pay into fund
- Proposal
  - ▣ Update performance and payment amounts based on updated study of need created by development; amounts would vary by use, but payments would increase for most uses
  - ▣ Remove off-site performance option





# Questions of Comments

---

Brennon Staley

OPCD Strategic Advisor

684-4625

[brennon.staley@seattle.gov](mailto:brennon.staley@seattle.gov)

[www.seattle.gov/opcd/ongoing-initiatives/incentive-zoning-update](http://www.seattle.gov/opcd/ongoing-initiatives/incentive-zoning-update)