

# Director's Report and Recommendation

## Design Review Program Improvements

### INTRODUCTION

The Department of Construction and Inspections (SDCI) has identified and is recommending organizational, structural, and procedural changes to the City's Design Review program. The changes are intended to improve the overall function of the program by enhancing the efficiency and predictability of project reviews, improving dialogue amongst project stakeholders, and making the program more transparent and accessible to the public and project applicants. In addition, the changes would focus Design Review on the development projects most likely to influence the character of a neighborhood, and reduce the costs of building housing.

The recommendations in this report reflect work completed by a [stakeholder advisory group](#) convened by SDCI, public outreach by SDCI between 2015-2017, and the Seattle Chamber of Commerce and previous studies by the City<sup>1</sup>. They are also informed by the Housing Affordability and Livability Agenda (HALA). HALA identified updates to the Design Review program as one of the highest-impact recommendations: [RP.1 Reform the Design Review program](#), which was included as a priority in both the Mayor's HALA Action Plan and the City Council's HALA Workplan. The recommendations were included in the [draft recommendations](#) released for public review in March 2016.

SDCI released a draft ordinance for public review and comment as part of the environmental (SEPA) review on June 8, 2017. Upon request, SDCI extended the official public comment period, which ended July 10, 2017. SDCI made updates to the proposal (described below) in response to feedback received during this public comment period.

### SUMMARY

Key components of this legislation:

- Simplify and raise the thresholds for projects subject to design review. Switch from a variety of thresholds based on use, units, and zoning to simple square footage thresholds that respond to the complexity of a site and type of project.
- Create a new "hybrid" process that allows one phase of design review to be handled administratively and the remainder by the Design Review Board. An associated pilot program will test an alternative review structure and allow study of how to best implement the new hybrid process.
- Require applicants to establish a dialogue with the communities near their projects before they begin design review.

Other related amendments:

- Require certain institutional uses and development in certain types of industrial zones and commercial areas to participate in design review.
- Allow affordable housing projects to be reviewed through an administrative design review process or opt into other types of design review.
- Limit the number of public Board meetings for certain types of projects, such as those that are not pursuing any departures from development standards.
- Modify the process for review of sites with "exceptional" trees in lowrise, midrise, and commercial zones.
- Modify the process for building height departures for minor communication facilities.
- Eliminate the Streamlined Design Review process.

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<sup>1</sup>Previous studies, advisory group materials, and other resources are available on SDCI's project webpage: <http://www.seattle.gov/dpd/codesrules/changestocode/designreviewprogramimprovements/projectdocuments/default.htm>

- Adjust the configuration of the Board seats, while maintaining the share of neighborhood and citywide seats.

Procedural changes (non-legislative):

- Explore updates to the Design Review Board meeting format to allow time for clarifying questions and remarks.
- Provide additional training for Board members and staff.

## BACKGROUND

### Program

The City established the Design Review Program (the Program) in October 1993 (Ord 116909). Prior to that, public input on new project design occurred solely through the State Environmental Protection Act (SEPA) review process and appeals of land use decisions to the Hearing Examiner, the City Council, and the courts. The regulatory structure for the Program is located in Chapter 23.41 of the Land Use Code. The Department of Construction and Inspections (SDCI), previously known as the Department of Planning and Development, administers the Program.

The Program involves a public process with volunteer boards to discuss the design of most multi-family and commercial development in the city. The Program's parameters include the architectural quality, urban design, and height, bulk, and scale of development. Guidance and feedback focuses on priorities established in adopted citywide and neighborhood design guidelines.

Since the Program launched in 1994, the Design Review Boards (the Boards) have reviewed over 1,500 projects. Additionally, hundreds of projects have been reviewed through the Program's Administrative (ADR) or Streamlined Design Review (SDR) process. The number of projects reviewed by the Program has steadily increased over the years, with the average number of projects reviewed each year increasing from 14 projects in the first year of the Program, to an average of 80 projects per year between 1995 -2001, and an average of 111 projects per year from 2005 - 2014. The Program provides the community a forum to have a dialogue about a project's impact and influence on their neighborhood, which has reduced the number of appeals of major development projects. While the City has conducted numerous evaluations of the Program to identify areas for improvement since it was first established in 1994, no comprehensive reform has been enacted to date.

### *Design Guidelines*

Seattle's design guidelines are the backbone of the Design Review Program. They direct designers and project reviewers to look closely at the neighborhood and its character to design new buildings that enhance their surroundings. The Boards use the guidelines to assess the merits of a project, and must use the guidelines as the basis for their recommendations and decisions. There are three sets of design guidelines. Citywide design guidelines apply to all development located outside of Downtown that is required to go through Design Review and downtown design guidelines apply to the downtown area. In addition, many neighborhoods have neighborhood-specific design guidelines that work in tandem with the citywide guidelines. While design guidelines are intended to improve many characteristics of a proposed development, they are not intended to resolve zoning disputes or address project impacts related to parking or traffic.

### *Development Standard Departures*

One aspect of the Program is to provide flexibility in the application of development standards. The mechanism for this is known as a *development standard departure*. Departures may be granted from most development standards, if an applicant demonstrates that the design would result in a development that better meets the intent of adopted design guidelines. The Board decides whether to recommend approval of the departure to SDCI.

The Land Use Code contains a list of standards that may *not* be modified through a departure (SMC 23.41.012), which includes such things as:

- The overall square footage allowed for a building (also known as Floor Area Ratio, or FAR)
- The height of a building (in most cases)
- The types of uses allowed in a building (in most cases)

### **Existing Forms of Design Review**

The Program currently requires that new commercial and multifamily development exceeding a certain housing unit or size threshold and located in certain land use zones undergo a review of the project's design characteristics as part of the Master Use Permit (MUP) process. SDCI currently administers three types of design review, described below.

*(Full) Design Review* is a review conducted by 5-member resident design review Boards in public meetings held in neighborhood locations. The process requires two principal phases: Early Design Guidance (EDG) and Design Recommendation. Both phases include a public meeting before the Board. Public notice of the project is provided on the Design Review website, posted placards on site and in a mailed notice to nearby residences. Members of the public may comment in writing or in person at the meetings. City staff provides feedback and guidance to the applicant throughout the process. Design review decisions involving Board review are Type II land use decisions, appealable to the City's hearing examiner.

*Administrative Design Review (ADR)* is a form of design review that mirrors the steps of (Full) Design Review but is conducted by an SDCI design review planner instead of a Board. It is currently used for certain types of housing projects or when a project is not required to go through design review, but the applicant opts to voluntarily enter the program in order to seek departures from development standards. Public notice of the project is provided thorough mailed notice to nearby residences and on the Program's website. However, no public meeting is held. Members of the public may comment (to SDCI) in writing during the review process prior to the Director's decision being published. The SDCI Director's Decision is a Type II decision, which can be appealed to the hearing examiner.

*Streamlined Design Review (SDR)* is a form of review that was added to the Code in 2010. It primarily applies to townhouse development. SDR is conducted by an SDCI design review planner and has fewer steps and submittal requirements than Administrative or Full Design Review. Public notice of the project is provided on the Design Review website and through notice to nearby residences and the public may comment in writing to SDCI. No public meeting is held. The decision of the SDCI Director is a Type I, which is not appealable to the hearing examiner, but to Superior Court.

### **Design Review Board**

The Boards' duties include synthesizing community input on design concerns, providing early design guidance to the development team, recommending specific conditions of approval that are consistent with the applicable design guidelines to the department Director, and ensuring fair and consistent application of Citywide or neighborhood-specific guidelines (see SMC 23.41.008.)

#### *Board Structure*

Each Board has five members, largely from design or development backgrounds, intended to represent the following interests:

- Design professional (at-large)
- Developer (at-large)
- Community representative (at-large)
- Residential representative (local)
- Business representative (local)

Board members serve voluntarily for two-year terms. They are appointed by the Mayor and City Council and may be reappointed for an additional two-year term. At present, there are a total of 36 Board members. One designated young adult serves as a Board member under the City’s Get Engaged Program. At-large members can live anywhere in the City, but local members must live or work within their Board’s district.

### Design Review Districts

The city is divided into seven geographic districts and organized by geographic area: Downtown, East, West, Southeast, Northeast, Northwest, and Southwest (see map). Each district is represented by a Board.

### Board Member Training

Board members receive training from the Design Review Program Manager. They are provided with an orientation session after their respective Council appointment. Quarterly Board business meetings are held to review and discuss procedural and programmatic issues and provide training on the various aspects and responsibilities of serving as a Board member. The Board Chairs meet annually to discuss issues specific to their responsibilities in that role. Additionally, Board members are also provided training on legislative changes that may affect their guidance, as well as basic training related to the City’s Race and Social Justice Initiative.



### Existing Design Review Thresholds

Thresholds in the Land Use Code determine which development projects must go through the Design Review Program (Section 23.41.006 SMC). The current thresholds are based on square footage, residential unit count, and use, and vary zone by zone. The current thresholds are as follows:

Summary of Design Review Thresholds		
Zone	Threshold Design Review required for projects at or above:	Type of DR
All zones	3 townhouse units	Streamlined
Lowrise (LR2, LR3)	8 dwelling units	Full
Midrise (MR) & Highrise (HR)	20 dwelling units	Full
Neighborhood Commercial (NC1, NC2, NC3)	4 dwelling units or 4,000 square feet of nonresidential gross floor area	Full
Commercial (C1, C2), if located in an urban center or urban village, that abuts or across a street or alley from a single-family zone, or in specific area of NE Seattle	4 dwelling units or 12,000 square feet of nonresidential gross floor area	Full
Seattle Mixed (SM)	20 dwelling units or 12,000 square feet of nonresidential gross floor area	Full
Downtown (DOC 1, DOC 2 or DMC)	20 dwelling units or 50,000 square feet of nonresidential gross floor area	Full
Downtown (DRC, DMR, DH1 or DH2 zones, or PMM zone outside the Pike Place Market Historical District)	20 dwelling units or 20,000 square feet of nonresidential gross floor area	Full
Industrial Commercial (IC), within all designated urban villages and centers	12,000 square feet of nonresidential gross floor area	Full

Summary of Design Review Thresholds		
Zone	Threshold Design Review required for projects at or above:	Type of DR
IC 85-160, and electing to add extra floor area above the base FAR	12,000 square feet of nonresidential gross floor area	Full
Master Planned Community (MPC)	20 dwelling units or 12,000 square feet of non-residential gross floor area	Full
Stadium Transition Area Overlay District (SAO)	120 feet in width on any single street frontage	Full
Other Criteria	Threshold	Type of DR
Congregate residences and SEDUs (at least 50% of units) in any zone	20,000 square feet of gross floor area	Full
	12,000 - 20,000 square feet of gross floor area	Administrative
	5,000 – 12,000 square feet of gross floor area	Streamlined
Removing an exceptional tree in a multi-family or commercial zone	Any size, if otherwise below thresholds	Streamlined
Living Building Pilot Program	Any size	Full

### No Design Review

Certain types of development are exempt from Design Review completely. These types include:

- Development within single-family zones.
- Development within most industrial zones, including Industrial Buffer (IB), Industrial General (IG), and most Industrial Commercial (IC) zones, and some commercial areas.
- Institutional uses, including religious institutions, schools, and a variety of social service providers.
- Development within a Major Institution Overlay, which is governed by a separate set of development standards and its own review process.
- Development in Landmark Districts, which is governed by a separate set of development standards and its own review process.

## PROGRAM IMPROVEMENT PROCESS

In 2015, the City Council requested an evaluation of the Design Review program from the Department of Planning and Development, now SDCI. Later that year, the Housing Affordability and Livability Agenda (HALA) identified reform of the Design Review process as one of the highest-impact recommendations. The HALA recommendation was included as a priority in both the Mayor’s HALA Action Plan and the City Council’s HALA Workplan.

The HALA report recommended making reforms to the Design Review process to improve the predictability and consistency of project reviews, including:

- Change the Board structure for more available review times and more professionalism of Boards
- Provide training to Board members and program staff to allow them to consider the impacts of their decisions on housing costs.
- Limit commentary on aspects outside the purview of the Design Review program.
- Limit the extent of packet materials, and number of meetings.
- Make procedural changes to improve two-way dialogue at Board meetings.

Building off of previous reviews of the Program, the Department of Planning and Development, now SDCI, led a stakeholder-driven process in 2015 to identify and evaluate organizational and procedural changes to refine and refresh the Program. This consisted of creating a 16-member stakeholder advisory group, interviews with community stakeholders, online surveying, community-wide meetings, and other events to gather feedback

about how the Design Review Program currently works and what improvements it could benefit from<sup>2</sup>.

### *Outreach/Engagement Timeline*

From 2015 through 2017 a variety of opportunities to provide feedback were offered, as summarized below:



The recommendations in this proposal are informed by public outreach, stakeholder input, and by HALA, and were included in draft recommendations released for public review in March 2016<sup>3</sup> and in June 2017.

### **Feedback on 2016 Recommendation Report**

Over 250 comments were submitted on the [draft recommendations](#) released for public review in March 2016. Feedback addressed the following key themes:

#### *Thresholds*

- Mixed feedback on the thresholds changes. Some expressed concerns that the thresholds changes would result in a loss of community input on design-related (and non-design related) issues. Others supported the idea to focus the Board’s review on larger and more complex projects and reduce the cost of building housing.
- Mixed feedback on which stage of the Hybrid process should be handled administratively (and which should be handled by the DRB).
- Support for the proposal to require design review for certain types of institutional uses, and to allow affordable housing projects to go through a more administrative process.

#### *Early Outreach*

- Support for the idea of requiring developers to conduct early outreach, rather than allowing the outreach to be voluntary.
- Concerns that the outreach may not be conducted in a way that results in meaningful dialogue, or may not reach disadvantaged communities.
- Concerns that the outreach would impact the overall cost and timeline for a project.

### **Feedback on 2017 SEPA Draft**

Over 120 comments were submitted on the [draft ordinance](#)<sup>4</sup> released for public review in June 2017. Feedback addressed similar themes as the 2016 Recommendation Report. The specific feedback we received is described below:

- Support for the idea to simplify thresholds to focus on the building size (in square feet).
- Concerns about the thresholds, with requests to raise and to lower the minimum thresholds.
- Concerns about the proposed approach for the new hybrid design review.
- Ideas for other types of projects that should receive policy priority and go through a more administrative review process.

<sup>2</sup>Previous studies, advisory group materials, and other resources are available on SDCI’s [project webpage](#).

<sup>3</sup> The [draft recommendations](#) (p. 6-12) contain more information on stakeholder and public feedback collected prior to 2016

<sup>4</sup> The SEPA materials and Director’s Report also released in June 2017 are available on the SDCI’s [project webpage](#).

- Requests to change the criteria that would make a project more “complex”, including adding new types of criteria, removing proximity to single-family zones, lowering the street-frontage requirements, and treating development inside and outside of urban villages the same.
- Ideas for how to modify the limits on the number of board meetings for certain projects.
- Ideas for how to implement the required early outreach process to ensure that the outreach is conducted in a way that results in meaningful dialogue and to help ensure that it does not impact the overall cost and timeline for a project.
- Support for the idea to establish more two-way dialogue at board meetings.
- Support for more training for board members and SDCI staff.
- Interest in having the board meetings recorded, and revising design review permit application submittal requirements.
- Support for expanding the options for the public to find information and submit comments online.

## PROPOSAL

The proposal includes amendments to the Land Use Code (Title 23 SMC) and other non-legislative programmatic reforms to address the policy recommendations identified in the 2016 Recommendation Report. While each change is described individually below, many of the recommendations are interrelated and would work together to achieve the desired outcomes. Code citations are included to correspond with the draft ordinance for ease of finding the applicable amendments.

### **1. Project Thresholds (23.41.004)**

The proposal would revise the thresholds, which determine what projects are required to go through the Program. The changes are intended to address issues with the current thresholds, including those that have come up as the volume of projects reviewed by the Program has increased over time. Most notably, it has become increasingly difficult for projects to move through the Program in a timely and predictable manner. Long and unpredictable timelines make housing projects difficult to develop and add to the cost of new housing. In addition:

- The current thresholds are complicated and confusing. It often isn't clear to the community which projects fall under the purview of the Design Review Program and which do not.
- The current thresholds focus on the number of proposed dwelling units, which does not necessarily relate to the building's design or overall size.
- Some projects that the Boards review are not very large or complicated, and may not be a good use of the Board's limited time.
- It takes a considerable amount of staff resources to review smaller projects, such as townhouses.

#### *A. Project Size (23.41.004)*

The 2016 Recommendation Report included a recommendation to shift to a threshold based on total square footage in a building instead of dwelling unit counts, and raise the threshold for what types of projects go through various forms of design review. Another option previously considered included matching Design Review thresholds to environmental review (SEPA) thresholds.

#### *Recommendation:*

Modify the thresholds to be based solely on the size of a development, measured in square feet, rather than the current combination of both size and the number of dwelling units. Using the gross square footage of a proposed building to determine what type of design review it must go through is clearer than unit counts, and is consistent with Design Review's purview over building massing and form, not density of housing units. In addition, it will discourage developers from proposing a lower number of units on a proposed development site to stay below the threshold, as has been the case in the past.

Under the proposal, development projects under 10,000 sf of gross floor area would not be required to go through design review. This baseline threshold approximates the size of development on two typical lots in a Lowrise zone, and would apply in all zones outside of downtown and industrial areas.

This change would result in a slightly lower threshold than currently exists in midrise, highrise, and many commercial zones, and a slightly higher threshold than currently exists in lowrise zones. The proposal keeps in place the current thresholds in Downtown zones, which are slightly higher than in most other areas of the city where large-scale development is less common, and slightly raises the thresholds for development in industrial areas.

*Examples*

Examples to help illustrate what types of buildings would be subject to design review under the thresholds contained in this proposal are included in the appendix.

*B. Project Complexity (23.41.004)*

The 2016 Recommendation Report also included a recommendation to tailor thresholds to reflect the unique characteristics of different types of projects and sites.

**Feedback on 2017 SEPA Draft**

We received several requests to change the criteria that would make a project more “complex”, including adding new types of criteria, removing proximity to single-family zones, lowering the street-frontage requirements, and removing location outside of urban villages.

*Recommendation:*

Refine the thresholds to consider the relative complexity of a site or proposal into the thresholds for design review, to focus full Board review on the more complicated projects. A complex site would be one that meets specific criteria related to the context, scale, and special features of the proposal. This recommendation would closely relate to the other recommendations in this proposal related to project thresholds. In response to comments received on the SEPA draft, we have removed location outside of an urban village or urban center from the list below, and reduced the length of a street lot line from 250 feet to 200 feet.

PROPOSED COMPLEX SITE CHARACTERISTICS	
Category	Site Characteristics <i>(If <u>any</u> characteristic is present, project would be considered complex)</i>
Context	Lot is abutting or across an alley from a lot in a single-family zone
	Lot is in a zone with a maximum height limit 20 feet or greater than is allowed on an abutting lot or a lot across an alley
Scale	Lot is 43,000 square feet in area or greater
	Lot has any street lot line greater than 200 feet in length
Special Features	Development proposal includes a Type IV or V Council Land Use Decision <sup>5</sup>
	Lot contains a designated landmark structure
	Lot contains a character structure in the Pike/Pine Overlay District

*C. Increase Administrative Reviews – New Hybrid Process (23.41.004, 23.41.016, and 23.41.022)*

The 2016 Recommendation Report included a recommendation to use more administrative (staff) reviews to limit the number of Design Review meetings for a project, to make the process more consistent, efficient, and predictable. Other options previously considered include:

- Have smaller projects go through ADR or SDR.

<sup>5</sup> Type IV and V decisions are listed in SMC 23.76.004 and include contract rezones and conditional uses.

- Different versions of the Hybrid Process were discussed, including making the design review Recommendation phase administrative.

### **Feedback on 2017 SEPA Draft**

We heard concern about how the new hybrid design review would be structured. Specifically, comments from both the development community and the neighborhoods requested that we consider changing the order of the staff and Board review.

#### *Recommendation:*

Establish a new Hybrid Process for projects at certain thresholds. Smaller and less complex projects would go through a more administrative form of review, reducing the number of projects reviewed through the full design review process. A new “Hybrid” process would consist of one step of the review, the Early Design Guidance (EDG) meeting, handled administratively by staff, before moving onto a public meeting with the Board making the final recommendation on the development proposal. The least complex and smallest projects would be reviewed administratively by staff for both steps through the existing Administrative Design Review process.

In response to comments from the development community and neighborhoods in both 2016 and 2017, we are proposing a new pilot program for hybrid design review, to be added as a new section SMC 23.41.022. The pilot program would allow a limited number of applicants to elect to have the first step of hybrid design review, the Early Design Guidance (EDG) meeting, held as a public meeting with the Board, before moving onto an administrative recommendation phase, with SDCI staff making the final recommendation on the development proposal. The pilot would be available to up to 25 applicants (slightly more than half of the anticipated applications that would be subject to hybrid review) on a first-come, first-served basis for a one-year period, and would allow SDCI to study the effectiveness of the alternate pathway for hybrid design review.

This change is proposed in partnership with the project complexity proposal, described above, to help focus more attention of the Design Review Boards on the largest and most complex projects with the greatest design challenges. The early outreach proposal, described below, will help ensure that the shift to a more administrative review process does not lead to less opportunity for public involvement overall.

#### *D. Other Thresholds Changes (23.41.004 and 23.41.018)*

Other proposed changes to the types of projects that go through the Program were included in the 2016 Recommendation Report.

#### *Industrial Zones*

Require that commercial and institutional development in Industrial Buffer and Industrial Commercial zones go through the Program if it is above the proposed thresholds. All development in the Industrial General zones, and any industrial-type development (warehouses, etc) in other industrial zones would continue to be exempt from design review. This change would help maintain the connection of Design Review to the bulk and scale of development, regardless of zone, without imposing any new regulatory burdens on industrial-type development in designated industrial areas.

#### *Commercial Zones*

Require design review for projects meeting the proposed thresholds in all commercial zones. The current code only required design review in commercial zones in urban villages or centers when the lot abuts or is across a street or alley from a lot zoned single family, or when located in a portion of Northeast Seattle. This change is proposed to treat development proposals consistently in all commercial zones.

*Institutional Uses*

Require most institutional uses to participate in Design Review if they are above other proposed thresholds. Under current rules, institutional uses, including major institutions, such as libraries, community centers, childcare centers, churches, and schools, are exempt from design review. K-12 schools and religious facilities would continue to be exempt, as would development within Major Institution Overlays, which have a separate planning and review process. This change would help maintain the connection of Design Review to the bulk and scale of development, regardless of use.

*Affordable Housing*

Allow affordable housing projects with public funding, regardless of size and complexity, to be reviewed through the administrative review process, with the ability to opt into either Hybrid or Full design review. This would reduce permit review times and support Citywide policy goals of producing more affordable housing without impacting the quality of development in neighborhoods, as affordable housing projects are typically held to a higher standard of design and durability, due to the requirements of their funding sources.

*Streamline Design Review*

Eliminate Streamline Design Review (SDR). Under the current rules, the smallest projects are reviewed through a truncated administrative process, SDR. SDR was created in 2010 to address the design of small townhouse development. This recommendation is proposed in partnership with the proposed changes to design review thresholds as well as the new Hybrid process and an increase in the number of projects going through the existing Administrative process.

*Summary Table*

The following table summarizes the proposed thresholds, as described above.

PROPOSED DESIGN REVIEW THRESHOLDS			
Generalized Zones	Thresholds	Site Characteristics	Type of DR
Multifamily and commercial zones outside of downtown (LR, MR, HR, NC, C, SM, MPC)	10,000 - 20,000 sf	Not Complex	Administrative
		Complex	Hybrid
	20,000 sf or more	Not Complex	Hybrid
		Complex	Full
Downtown (DOC or DMC)	50,000 sf or more	n/a	Full
Other Downtown & Industrial (IC, IB)	20,000 sf or more	n/a	Full
SF, IG, MIO	n/a	n/a	n/a
Type of Use	Thresholds	Site Characteristics	Type of DR
Living Building Pilot Program	Any size	n/a	Full
Affordable Housing	Any size	n/a	Administrative
K-12 Schools & Religious Facilities	Any size	n/a	None

**2. Early Community Outreach** (23.41.014, 23.41.015, and 23.41.016)

The existing design review process has proven to be a valuable opportunity for public comment and dialogue between developers, communities, and the City. Board meetings provide opportunity for members of the public to provide comments on the project. The public may also submit written comments to the assigned planner throughout the review process. In addition, the Land Use Code contains certain additional public notice requirements for many projects that go through design review, including mailed notice to adjacent properties, a large board posted on the site of the project, a posting in a local paper, and a posting on SDCI’s web-based land use information bulletin.

However, several issues related to the nature of public comments and community involvement in the design review process have been identified over the years. Foremost, community feedback sometimes reflects design priorities that would significantly alter the proposal. Applicants have typically already invested considerable resources into the project at the time of the first design review meeting. Modifying the proposal to incorporate public feedback shared at design review meetings, even if the applicant is receptive to the feedback, can lead to additional costs and delays. For this reason, some developers are currently taking a proactive approach—voluntarily engaging with the local community long before they begin design review.

Additionally, public comments often focus on issues outside of the Design Review’s purview. For instance, it is not unusual to hear concerns that the new building will lead to parking congestion in the neighborhood. Parking, in addition to other common issues raised such as building height, is regulated by the City’s Land Use Code, and cannot be address through design review. This creates confusion and tension within the Design Review process between individuals who are unhappy with public policy goals and the provisions in the Land Use Code and those who are building projects.

Finally, many members of the public are unable to attend the regularly scheduled public design review meetings, which are held in the evening at neighborhood locations. This can lead to gaps in communication between the Board, community members, and applicants regarding the project’s context and the community’s priorities for a project.

The 2016 Recommendation Report included a recommendation to require applicants going through the Program to conduct outreach to the community at very early stage of design, and continuing throughout the review process. The report also included, as an alternative, the option to encourage this type of outreach without a specific mandate to do so. Public comments received on the report were largely supportive of this recommendation, with emphasis that it be required rather than voluntary.

*Recommendation:*

Add a new requirement that an applicant for any project going through the Program would be required to conduct community outreach before beginning the early design guidance process. This outreach would be required in addition to the public notice and public comment opportunities that are currently required for projects going through design review. The intent of this early outreach would be to:

- 1) improve dialogue between the applicant and the nearby communities, and
- 2) improve the applicant’s understanding of the local context

The outreach would be an opportunity for the applicant to share basic information on the project with the community and identify community priorities related to new development at an early stage in the process. It could also provide a forum to identify community priorities related to other issues that may not be appropriate to address through Design Review. If done well, this new requirement could reduce barriers faced by marginalized communities and other members of the public interested in participating in conversations around design and development in their neighborhoods. An important component of this recommendation is that the additional outreach would achieve these goals without requiring considerable resources or impacting the project’s overall timeline.

In addition, this recommendation could:

- Reduce confusion among some members of the public about the role of the Design Review process;
- Allow design review meetings to focus more directly on relevant issues; and
- Lead to more predictable and timely design review for applicants.

*How it would work:*

Under the proposal, each applicant would be required to demonstrate that they had completed a minimum amount of early community outreach in advance of their first EDG meeting. An applicant would have several

options for conducting this required outreach but would need to use at least one form of written, electronic, and in-person communication as part of their strategy, for a total of at least three outreach strategies.

Options for Early Outreach	
Medium	Outreach Strategies
In Person (1-minimum)	<ul style="list-style-type: none"> <li>· Group meetings in homes, businesses, or community venues</li> <li>· Interviews with community members/leaders</li> <li>· Focus group</li> <li>· Drop-in hours at business or community center</li> <li>· “Pop-Up” event near site</li> <li>· Guided tour or site walk</li> <li>· Table at community event or festival</li> <li>· Present at an established community group’s meeting</li> <li>· Host own community meeting, or partner with local group to host</li> </ul>
Electronic (1-minimum)	<ul style="list-style-type: none"> <li>· Project Website</li> <li>· Email to Distribution List / Listserv</li> <li>· Post on Local Blog or in Digital Newsletters</li> <li>· Social Media Post/Advertising (paid Facebook post, etc.)</li> <li>· Online Survey</li> <li>· Project Hotline (Information &amp; Voicemail)</li> </ul>
Print (1-minimum)	<ul style="list-style-type: none"> <li>· Door-to-door Fact Sheet / Flyers</li> <li>· Local Print Newsletters</li> <li>· Direct Mailings</li> <li>· Posters in Local Businesses, Venues, Community Centers</li> <li>· Sign(s) posted on site</li> </ul>

Department of Neighborhoods (DON) staff will support these efforts by providing each applicant with an outreach guide, names and contact info for community groups, and a list of possible meeting venues in the project area to help applicants put together a successful outreach plan and conduct effective outreach to communities. DON staff will approve the community outreach plan and verify that the outreach has occurred before the applicant may schedule their EDG meeting. Additionally, DON staff will help applicants customize their outreach strategies and content to reach any historically marginalized communities near the project site, who are often not well-served by traditional outreach methods. If the project is located in an area of the City with a higher-than-average concentration of marginalized communities, such as the Chinatown/ International District, Rainier Valley, Delridge or Northgate neighborhoods, this type of customized outreach will be required to be part of the applicant’s community outreach plan. City staff will provide the feedback, guidance, and oversight described above, but will not directly conduct any of the outreach proposed by the applicant.

It is intended for outreach to be completed concurrent with or prior to existing steps in the development process. Upon completion of the minimum required outreach, the applicant would submit the appropriate documentation to the City before advancing on to their EDG meeting. The documentation must, at minimum, include evidence that the outreach occurred. SDCI staff will summarize the outreach completed and present the information at the subsequent meeting.

As mentioned above, the intention of this outreach process is to open a dialogue and allow information to be shared between the applicant and the local community, improve the applicant’s understanding of the local context. While the outreach itself would be required and a collaborative approach is encouraged, the proposal would not require the applicant to incorporate any specific community feedback into the project.

*Example Scenarios:*

As an example, an applicant proposing a 3-story, 12,000 sf apartment building going through Administrative Design Review might meet the proposed early outreach requirements as follows:

- Create a project leaflet and drop a stack off at coffee shop down the street from the site.
- Create a project phone line that is updated periodically to include basic information and the status of the permit.
- Meet with a representative from the local business district and the leader of the church next door to the site to discuss the history of the site, relevant site issues, and possible community concerns.

Another applicant for a 6-story, 110,000 sf mixed use building going through the Full Design Review process might meet the requirements as follows:

- Attend a regular meeting of a prominent local community group to discuss the project and hear initial thoughts on design and community priorities.
- Co-host a public site-walk with that community group.
- Mail postcards to properties within 2 blocks of the site.
- Post the event on a local blog's community calendar.
- Create an online survey asking participants to rank several topics/issues as priorities or concerns.

### **3. Board Composition & Structure**

#### ***A. District Structure (23.41.006)***

The current Board structure with seven Board districts each made up of five Board members has contributed to long wait times for meetings in districts with more development occurring. In addition, at times it can be difficult to ensure consistency in how all seven Boards apply design guidelines and what they ask of applicants.

The 2016 Recommendation Report included a recommendation to reduce the number of board districts from seven to five, keeping the NE, NW, SE, and SW boards largely intact, but expanding the Downtown Board and dividing up the East board into the three adjacent districts. Other options previously considered include:

- Collapse all boards into a single board that meets downtown.
- Reduce the number of Boards (i.e. such as three boards divided by North, Central South).
- Organize boards by the type of development (multifamily, office, etc.) rather than geography
- Establish an on-call Board for periods when the current boards are at capacity.

#### ***Recommendation:***

No changes are proposed to the number of Board districts or the Board district boundaries at this time. The intent of keeping the current number of districts is to preserve the capacity by maintaining the current number of meeting slots. Other recommendations in this proposal are anticipated to free up meeting slots to sufficiently reduce wait times for Board meetings, and to address the consistency of Board member reviews and skillsets. Additionally, no clear direction resulted from public feedback on this proposal. SDCI continues to study this issue, particularly in the few locations in the city where existing district boundaries bisect distinct cultural communities. SDCI may propose related changes as a future phase of work.

#### ***B. Board Composition (23.41.008)***

The current composition of the Board membership can make it difficult to recruit and retain Board members, and can limit opportunities for community member participation on Boards. Further, having just five members on each Board has sometimes made it difficult to ensure there will be a quorum at each meeting and to maintain continuity in project reviews from one meeting to the next.

The 2016 Recommendation Report included a recommendation to increase the number of seats on each board, eliminating the general community seat and adding one additional local community member seat, one additional designer seat, and one additional development professional seat. This recommendation was developed in partnership with the reduction in the number of board districts (from 7 to 5), to keep the overall number of Board members (36) the same. Other options previously considered include:

- Reducing the number of local seats on each Board.
- Increasing the number of overall members.

- Having floating board members with specialized skillsets for specific project types.
- Transitioning from volunteer based boards to one that is paid for their service.

*Recommendation:*

Keep the number of Board members in each district the same and slightly modify the composition of seats on each Board:

- Replace the general community interest seat with an additional local community seat;
- Expand eligibility for the local business interests seat by making it a general (citywide) seat that would also be open to landscape professionals; and
- Increase the number of Get Engaged members<sup>6</sup> allowed to participate on a Board from one to two or more.

The number of Board members in each district and Citywide would not change, and the share of local vs. general seats on each Board would not change. The proposal would also add new standards for the removal of a Board member that is not meeting basic expectations.

*C. Board Meeting Format (non-legislative)*

Several issues related to the format of Board meetings have been identified over the years. Most notably, the applicant and Board are not allowed to have a dialogue (beyond basic clarifying questions) during Board deliberations. This can limit how well the Board understands the design process and desired outcome and inhibit a comprehensive assessment by the Board. In addition, because there is no opportunity for applicants to supplement their presentation with responses to questions for the Board, applicants often develop an extensive, highly-detailed presentation that attempts to address each item in the packet. The following issues have also come up:

- Applicants with large scale or complex projects often do not have enough time to substantively describe issues and respond with mitigations.
- There is often not enough time for applicants to explain the development objectives and site constraints that went into their decision-making process related to the favored design concept.
- Affordability (cost) impacts are not considered in design review recommendations. Stakeholders have argued that cost affects design solutions and should be factored into recommendations to ensure they are feasible for the project to continue.

The 2016 Recommendation Report included a recommendation to revise the Board meeting formats to address the issues described above. SDCI implemented a business practice change in 2016 to allow clarifications to be made during Board deliberations.

*Recommendation:*

Consider additional ways to create opportunity during Board meetings for two-way dialogue between the Board and applicant to help respond to clarifying questions and resolve issues. In addition, the recommendation below describes proposed training for staff and Board chairs on how to run effective meetings. The recommendations to revise project thresholds and use a new hybrid process would result in an increase of Board meeting capacity, which could allow more complex projects to have longer Board meetings.

*D. Board Member Training (non-legislative)*

Individual Board members each bring an important perspective to their roles, and are appreciated for sharing such a large amount of their time to support the program. Due to the range of skills and backgrounds on the Boards, however, meeting facilitation skills vary widely among Board members. This can make it difficult to ensure that meetings are managed consistently across all Boards. In addition, some Board members are more familiar with overarching and neighborhood-specific policies, or the concerns and priorities of community

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<sup>6</sup> Get Engaged is a program provided in partnership with the YMCA and the City of Seattle that places young adults ages 18-29 on the City's public boards and commissions. See Chapter 3.51 SMC and the YMCA's [webpage](#).

members, which can lead to inconsistency in consideration of project objectives. It has also proven difficult to maintain consistent training across all seven Boards with 36 Board members with regard to the Board's purpose, authority, and approach to issues. This can impact how consistently Boards apply design guidelines and what they ask of applicant.

The 2016 Recommendation Report included a recommendation to provide additional training to Board members and staff in meeting facilitation and other relevant topics, as well as training opportunities to applicants and developers. Other options previously considered include:

- Provide training on how to consider cost implications/link cost to design where applicable in design review recommendations;
- Develop neighborhood-based background information for Boards; and
- Provide training in web-based and other more accessible formats.

#### *Recommendation*

Pursue funding to provide Board members with additional training to address design review issues, as well as important related skills such as meeting facilitation, group dynamics, and consensus building. This training would help establish clearer protocols for Design Review meetings, and improve the consistency of the meetings. Additionally, all Board members will be required to take part in training related to racial and social equity.

#### *E. Board Meeting Limits (23.41.008)*

The 2016 Recommendation Report included a recommendation to consider explicitly limiting the Hybrid process to one Board meeting.

#### *Recommendation*

Limit the number of Board meetings for certain projects going through the Program as follows:

- Full Design Review would be limited to a maximum of two EDG meetings and one Recommendation meeting (three meetings with the Board total).
- Hybrid Design Review would be limited to two Recommendation Board meetings.

These limits would not apply when applicants are pursuing departures, development projects located across from a single-family zone, or projects that include a Type IV or V (City Council) decision. If the Board is not ready to recommend a project as proposed, the Board would provide guidance to the staff planner. Any additional deliberations about a project would be conducted administratively, unless the applicant requested an additional meeting with the Board at their own discretion (such as if they change their proposal significantly and want Board feedback). Additionally, the SDCI Director would have the authority to require an additional Board meeting under the following circumstances:

- the Board needs more time for deliberation due to the size and complexity of the project;
- the Board needs more time for deliberation due to the amount and content of public comment; or
- an applicant insufficiently responds to previous Board direction.

#### **4. Other Changes**

In addition to the changes described above, the proposal includes the following amendments to the program:

- Relocate the list of design review submittal requirements to an administrative rule to allow more flexibility using best practices (SMC 23.41.014, 23.41.016, and 23.41.020).
- Modify the procedure for allowing additional height for minor communication facilities Downtown, shifting from a departure approved through design review to an administrative (Type I) decision (SMC 23.57.013 and 23.57.016).
- Clarify with an administrative rule the process to revise an approved MUP that went through Design Review (SMC 23.76.004 and 23.76.006).
- Remove the option of waiving pre-submittal meeting for Design Review projects, an option which is rarely exercised (SMC 23.41.014, 23.41.016, 23.41.020 and 23.76.008).

- Cleanup of the list of development standards that may not be modified through a departure (SMC 23.41.012). Remove a few outdated items and reorder the list for added clarity.
- Clarify the way that a project's guideline priorities are shared with applicants and the public, which involves posting materials on SDCI's website (SMC 23.41.014, 23.41.015, and 23.41.016).
- Clarify and update the option of going through design review as a way to remove an "exceptional" tree in lowrise, midrise, or commercial zones (SMC 25.11.070 and 25.11.080). An applicant would either need to meet the criteria in the Tree Ordinance for removing a protected tree, or would be able to opt into the Design Review Program to pursue departures from the Land Use Code to develop the site in a way that would retain the exceptional tree.
- Audio recordings of board meetings to make it easier to produce meeting notes in a timely manner.

### *Other Recommendations*

The following recommendations from the 2016 Recommendation Report are not being pursued at this time, however SDCI has implemented some related changes, and continues to study these issues:

- Program to reward and publicize design excellence.
- Revise Design Review Packet Requirements. While we are not pursuing this recommendation at this time, our proposal to relocate the list of submittal requirements to an administrative rule would provide greater flexibility to make this change at a later time (SMC 23.41.014, 23.41.016, and 23.41.020).
- Increase the SDCI Director's authority to overrule the Board's recommendation in certain circumstances, in order to improve program's consistency across the various boards. Public feedback on this recommendation has been mixed.

## **ANALYSIS**

The following describes the likely results of the recommendations on the numbers and scale of projects that would go through Full Design Review, the Hybrid, or Administrative processes, or no longer be subject to Design Review. SDCI analyzed the 385 development projects that went through the Design Review program in 2014-2015 for purposes of this analysis.

### **Current Thresholds**

In the 2014-2015 time period, an average of about 190 projects went through the Program each year. Most of these projects (120 total or 63%) went through the Full Design Review (Full DR) process. In addition, just under a third (31%) went through the Streamlined Design Review (SDR) process. Only a small number of projects (3%) went through the Administrative Design Review (ADR) process.

Under current thresholds, projects as small as 4,400 square feet were required to go through the Program. Most projects of this size are townhouse developments with just 3-4 units and are required to go through the SDR process. Projects going through the Full DR process include, on average, around 150,000 square feet of development and 145 units of housing. However, projects as small as 8,000 square feet and 8 units have been reviewed by the Board.

Most projects that go through the Program (83%) were located in an Urban Center or Urban Village. In addition, about half (48%) were located on a zone edge. These projects were more likely to generate public comments during the design review process than projects not located on a zone edge. Finally, a quarter of projects reviewed through Full DR had more than one EDG meeting, and 15% had more than one Recommendation meeting.

### **Proposed Thresholds**

The proposal would reduce the number of projects that would be required to go through Full DR, allowing a large portion of projects to be reviewed through the Hybrid and ADR processes. Under the proposal, 41% of projects would go through the Full DR process, 23% would go to Hybrid, and 7% of projects would be

reviewed through ADR. The proposed minimum threshold of 10,000 sf would reduce the number of projects subject to Design Review by approximately 28%. The vast majority of these include fewer than eight units (83%) or are located in a Lowrise (LR2 or LR3) zone (82%). Any residential development in lowrise, midrise, and highrise zones that falls below design review thresholds would be subject to the design standards in Section 23.45.529 SMC, which address street-facing facades and other elements of design.

The proposed changes to include more non-industrial development in industrial zones and institutional uses is only expected to impact a few projects each year. Similarly, only a few affordable housing projects typically go through the permitting process each year.

PROJECTS REVIEWED BETWEEN 2014-2015		
Current DR Process	Proposed DR Process	Portion of studied DR Projects
Full	Full (no change)	40%
	Hybrid	16%
	Administrative	5%
	No Design Review	1%
Administrative	Hybrid	1%
	Administrative (no change)	2%
	No Design Review	1%
Streamlined	Full	1%
	Hybrid	5%
	Administrative	1%
	No Design Review	26%

A large portion of projects would see only minor changes in the type of design review process required under the proposal. Over 40% would go through the same type of Design Review that they would today. With the addition of the proposed early outreach process, this would result in a greater amount of dialogue and public involvement than exists for these projects under the current rules.

The proposed list of complexity characteristics would allow approximately 30% of projects to move through a faster track of design review, allowing the Board to focus on the remaining 70% of projects that have one of the complexity characteristics. Similarly, the proposal would require 22% of the projects that are currently reviewed through the Streamlined process to go through another form of Design Review.

## COMPREHENSIVE PLAN CONSISTENCY

The recommendations are consistent with the Comprehensive Plan. The following Comprehensive Plan policies are directly applicable to this proposal:

### *Land Use*

LU 5.18 Seek excellence in new development through a design review process that encourages multiple perspectives on design issues and that complements development regulations, allowing for flexibility in the application of development standards to achieve quality design that

- enhances the character of the city;
- respects the surrounding neighborhood context, including historic resources;
- enhances and protects the natural environment;
- allows for variety and creativity in building design and site planning;
- furthers community design and development objectives;

- achieves desired intensities of development; and
- responds to the increasingly diverse social and cultural character of the city.

### *Housing*

- H G2 Help meet current and projected regional housing needs of all economic and demographic groups by increasing Seattle’s housing supply.
- H 4.8 Explore ways to reduce housing development costs.
- H 5.16 Consider implementing a broad array of affordable housing strategies in connection with new development, including but not limited to development regulations, inclusionary zoning, incentives, property tax exemptions, and permit fee reductions.

### *Community Involvement*

- CI G1 Provide opportunities for inclusive and equitable community involvement.
- CI 1.1 Promote racial and social justice, human and civil rights, and mutual respect to reduce intolerance, and reach out and bring people together in ways that build bridges between individuals and between groups.
- CI 1.4 Build community capacity for meaningful and authentic community involvement, enhance the ability of community members, including those of marginalized communities, to develop the knowledge and skills to effectively participate in planning and decision-making processes.
- CI 1.5 Provide a wide range of opportunities for obtaining information and involvement in decision-making processes.
- CI 1.6 Seek greater equity and more meaningful involvement by diverse community members (homeowners, renters, businesses, employees, property owners, institutions, youth, seniors, etc.), and especially members of marginalized communities in decision-making processes.
- CI 1.7 Effectively and efficiently manage the use of City and community resources to plan and implement community involvement.

### *Growth Strategy*

- GS G3 Maintain and enhance Seattle’s unique character and sense of place, including its natural setting, history, human-scaled development, and community identity, as the city grows and changes.

## **RECOMMENDATION**

SDCI recommends adoption of the proposed amendments to the Land Use Code. This proposal refines and reforms the Design Review Program by simplifying and raising the thresholds for design review, adding a new Hybrid Design Review process and shifting to more administrative reviews for less complex project and affordable housing projects, requiring public outreach early in the design review process, and making other programmatic changes consistent with the Comprehensive Plan and HALA recommendations.

Altogether, the proposed amendments would free over 50 Board meeting slots each year, reducing the wait time for scheduling Board meetings and allowing more room on the Design Review Board calendars for larger, more complex projects. The changes are expected to result in a timeline reduction of 4 to 8 weeks on average for projects going through Design Review. In addition, these changes prioritize projects of a larger scale that have potential to have more impacts, and focuses resources on a process that can more substantially affect design.

SDCI recommends a follow up assessment of the program in two years to consider how these changes have impacted the program.

## APPENDIX

The following examples help illustrate what types of buildings would be subject to design review under the thresholds contained in this proposal.

Examples of Design Review Thresholds				
Building Size		Description & Location	Current DR	Proposed DR
Square Ft	Stories			
1,000,000	25	Large office tower located on a full city block in a Downtown zone	Full	Full
300,000	15	Residential condos located on half of a city block in a Downtown zone	Full	Full
150,000	7	Mixed-use apartment building located on a typical size lot in the middle of a mixed use, highly dense area	Full	Hybrid
50,000	5	Mixed-use apartment building located on small lot in a Downtown zone	Full	Full
50,000	6	Mixed-use apartment building located in a commercial zone along an arterial, backs up to a residential area that only allows 3-story development	Full	Full
50,000	5	Apartment building with all units providing publicly-funded affordable housing	Full	Admin
50,000	5	Office building on a long, skinny lot located on the edge of an industrial area	n/a	Full
50,000	2	Large warehouse located in an industrial area	n/a	n/a
15,000	4	Small apartment building located in a commercial zone that backs up to a residential area zoned for single-family homes	Full	Hybrid
15,000	4	Small apartment building located in the middle of a multifamily residential area	Full	Administrative
6,000	3	Three townhouses located on a medium-sized lot in a multifamily residential area	Streamlined	n/a
3,000	3	One house located on a typical sized lot in a single-family zone	n/a	n/a