



# Director's Rule 24-2017

<b>Applicant:</b>  City of Seattle Department of Construction and Inspections	<b>Page</b> 1 of 2	<b>Supersedes:</b>
	<b>Publication:</b>	<b>Effective:</b>
<b>Subject:</b>  Timing of Incentive Zoning Developer Contributions for Projects with Approved Phased Construction Permitting	<b>Code and Section Reference:</b> SMC 23.49 and 23.58A	
	<b>Type of Rule:</b> Code Interpretation and Procedures	
	<b>Ordinance Authority:</b> SMC 3.06.040	
<b>Index:</b>	<b>Approved</b>	<b>Date</b>
	<hr/> <b>Nathan Torgelson, Director, SDCI</b>	

**PURPOSE:**

This Rule clarifies at what time the Seattle Department of Construction and Inspections (SDCI) requires incentive zoning developer contributions and related documentation for projects with approved phased permitting.

**BACKGROUND:**

Projects subject to the incentive zoning (IZ) program are required to contribute a public amenity in exchange for extra floor area above a base floor area ratio (FAR) limit or base height limit. Contributions may include providing the amenity on or off-site (performance option), making a cash contribution (payment option), obtaining development potential or rights from authorized sending sites, and/or obtaining regional development credits. The amount of the required

contribution is based on the final floor area of a structure as calculated in the final construction plans. In addition to providing amenities or making a payment, the applicant must also execute and record a declaration for extra floor area and any required covenants or agreements, and complete applicable transfers of development potential, rights, or regional development credits.

According to the IZ standards in the Land Use Code, Chapters SMC 23.49 Downtown Zoning and SMC 23.58A Incentive Provisions, the contribution is made prior to the issuance of any permit for any construction activity other than shoring and excavation.

A standard building permit contains the complete foundation design, structural framing components, and architectural detailing of a building in one plan set and permit. This permit is typically issued after the shoring and excavation permit. SDCI reviews the final floor area calculations with the standard building permit and receives the developer contributions prior to the issuance of the permit.

In cases where SDCI authorizes phased permitting for large or complex buildings, the construction plans are submitted in multiple phases that break out the foundation, framing, structural and architectural components. Each phase is issued as a separate permit. . In a typical phased project, the next building permit issued after shoring and excavation is generally for the foundation and portions of the structure that are below grade. Because the plans reflect only portions of the structure, they do not contain the final floor area calculations, and it is not possible at that point to determine the required contribution.

When phased permitting is authorized, the permit that contains the complete structural frame of the building (the super structure) contains the information needed to determine the amount of the IZ developer contribution.

#### **RULE**

SDCI requires all IZ developer contributions, including the executed and recorded declaration, covenants or agreements, and transfers of development potential, rights, and regional development credits prior to the issuance of the phased building permit that includes the complete structural frame of the building.