

Josh Brower, Chair Barbara Wilson, Executive Director

## SEATTLE PLANNING COMMISSION AUGUST 11, 2011 APPROVED MEETING MINUTES

## **COMMISSIONERS IN ATTENDANCE**

Kadie Bell, Catherine Benotto, David Cutler, Mark Johnson, Bradley Khouri, Jeanne Krikawa, Christopher Persons, Matt Roewe

### **COMMISSIONERS ABSENT**

Chair – Josh Brower, Colie Hough-Beck, Martin Kaplan, Amalia Leighton, Kay Knapton, Kevin McDonald, Leslie Miller

### **COMMISSION STAFF**

Barbara Wilson-Director, Katie Sheehy-Planning Analyst, Robin Magonegil-Administrative Staff Assistant, Diana Canzoneri-Demographer

### <u>GUESTS</u>

Marshall Foster, Mike Podowski, DPD; Tony Mazzella, Jennifer Wieland, SDOT; Rick Hooper, OH; Chris Fiori, Heartland

### **IN ATTENDANCE**

Jen Kullgren, DPD; Laura Hewitt Walker, OH; Rebecca Herzfeld, Council Central Staff; Harry Hoffman, Housing Consortium

Please Note: Seattle Planning Commission meeting minutes are not an exact transcript but instead represent key points and the basis of the discussion.

## CALL TO ORDER

Acting Chair David Cutler called the meeting to attention at 3:03 pm.

### Approve: July 28, 2011 Minutes

ACTION: Commissioner Mark Johnson made a motion to approve the July 28, 2011 minutes. Commissioner Catherine Benotto seconded the motion. Commissioners Benotto and Bell suggested a couple of edits to the minutes. The minutes were approved unanimously.

## Update: City Planning Director

Marshall Foster, DPD

Marshall Foster updated the Commission on several projects that DPD is currently working on. He noted that there is a lot of pending legislation; Roosevelt TOD, Regulatory Reform. He added that the SE Rezones will be getting to the Mayor/Council in early September. Mr. Foster reported on the Broadway Development Agreement and that DPD wants to start using those more to link rezones with community benefits. He noted that they are starting negotiations with Sound Transit. Mr. Foster noted that the Comprehensive Plan survey has close to 800 responses thus far and they are working on a public event to be held sometime in late September. Mr. Foster reported on the EIS is almost complete. He added that they are in the early stages of putting together a rezone proposal and that they have briefed the mayor on the preliminary proposal which is based on the UDF. Mr. Foster stated that there is really interesting work within the department on Yesler Terrace. He noted that they are trying for a HUD Challenge Grant and working with City Council and the Mayor for the Rainier Valley as the focus for that grant.

Commissioner Matt Roewe noted that, with all the rezoning, it is a full plate. Mr. Foster replied that in the early part of next year they will have a proposal for South Lake Union and that passing this will really depend on the Council and what COBE looks like.

Commissioner Mark Johnson asked if the final EIS for South Lake Union will have a preferred alternative. Mr. Foster answered that it does not that that was very intentional.

Mr. Foster mentioned the Citywide TOD policy and the idea of putting a resolution forward for now. He added that it would be great to get the Commission's help on this.

Ms. Wilson asked about TDR for TIFF? Mr. Foster replied that it is very complex and that it enables cities to do a modest form of TIFF when accepting regional TDR. He added that it will hopefully be a shot in the arm for the regional TDR market. Mr. Foster stated that South Lake Union is probably the most ripe for this and they hope to make it a pilot for this new program. He continued that if they decide to do this they would need to set up a local infrastructure district and develop an infrastructure plan. Commissioner David Cutler asked what types of infrastructure are fundable. Mr. Foster answered that anything publically owned is.

Commissioner Matt Roewe wondered if the city is writing the check. Mr. Foster answered that the developer buys the TDR and the challenge is that you have to show that the TDR market is working.

Ms. Wilson asked about Broadview and Rainier Beach. Mr. Foster stated that they had briefed council earlier in the week and stated that there are two very different sets of challenges. He added that in Broadview it is the physical infrastructure and the planning area is too large. Mr. Foster continued that the urban village isn't really a 'neighborhood'. Mr. Foster stated that Rainier Beach has had a hard time attracting development. He added that they are very interested in using the planning process to address the issue of capacity building.

Acting Chair David Cutler thanked Mr. Foster for his time.

- Chair's Report
  - Acting Chair David Cutler

Acting Chair Cutler noted the upcoming Commission meetings.

Ms. Wilson noted that there has been a lot of activity around the Vehicle License Fees (VLF) letter. Acting Chair Cutler noted that it seems like City Council is coalescing around the \$60 fee for 8 years rather than the \$80 fee for 10-12 years. Ms. Wilson replied that almost everyone who testified was in support of the larger amount and the longer period.

# **Update: Transit Master Plan**

Tony Mazzella and Jennifer Wieland, SDOT

Acting Chair Cutler called for any disclosures or recusals.

Disclosures:

- Commissioner Jeanne Krikawa disclosed that her firm, The Underhill Company, is on the consultant team for the Transit Master Plan, the North Corridor Transit Project, and consults on transit projects in the Northwest. - Commissioner Mark Johnson disclosed that his firm, ESA, works with transit agencies including King County Metro and Sound Transit.

- Commissioner David Cutler disclosed that his firm, GGLO, designs projects that may be impacted by the Transit Master Plan.

- Commissioner Catherine Benotto disclosed that her firm, Weber Thompson, designs projects that may be impacted by the Transit Master Plan.

- Commissioner Matt Roewe disclosed that his firm, Via Architecture, is involved in transit planning and transit facility design in and around Seattle.

- Commissioner Kadie Bell disclosed that she represents King County Public Health on the Transit Master Plan advisory committee.

Ms. Wieland and Mr. Mazzella gave a power point presentation that can be accessed here:

# http://www.seattle.gov/planningcommission/docs/planningcommission81111.pptx

Commissioner Cutler asked about any district energy corridors and whether or not it was coordinating with those. Ms. Wieland responded that it was a great question but they do not have an answer. Commissioner Cutler noted that there are potential opportunities to put in that infrastructure.

Commissioner Khouri asked what we can do here in Seattle and how does the mode choice work. Ms. Wieland replied that the assumption is that we are working within existing ROW which is a significant driver of the choices. Commissioner Khouri noted that it seemed like they were apologizing for the bus system because it does not draw the kind of numbers that they want to see and rail draws more. Ms. Wieland responded that she did not mean to apologize for the bus and noted that the recommendations will include expansion of the electric trolley network.

Commissioner Matt Roewe stated that it is a complicated story to tell and that the analysis was great. He added that there is opportunity coming out of South Lake Union on both sides and that the shoreline management plan is trying to protect waterfront uses. Commissioner Roewe noted that solutions will have to tie land use and shoreline management objectives. Mr. Mazzella noted that they are doing analysis on the alternatives and noted that they will hopefully get federal grants for a downtown connector. August 11, 2011 Approved Minutes

Commissioner Jeanne Krikawa asked where the details could be found. Ms. Wieland answered that it is not on the website yet but that they would email it to the Commission staff.

Acting Chair Cutler thanked Jennifer and Tony for their time.

## Update: Inclusionary Zoning

– Rick Hooper, OH; Mike Podowski, DPD; Chris Fiori, Heartland

Acting Chair Cutler called for any disclosures or recusals.

Disclosures:

- Commissioner Bradley Khouri disclosed that his firm, b9 Architects designs housing in the city.
- Commissioner Catherine Benotto disclosed that her firm, Weber Thompson, works on multifamily projects and are members of the Housing Development Consortium.
- Commissioner David Cutler disclosed that his firm, GGLO designs mixed use affordable and market rate multifamily buildings throughout the city.
- Commissioner Mark Johnson disclosed that his firm, ESA, works on multi-family development projects.

- Commissioner Chris Persons disclosed that he is the executive director of Capitol Hill Housing which develops affordable multifamily projects throughout the City.

- Commissioner Matt Roewe disclosed that his firm, Via Architecture provides design services for multifamily projects in Seattle and that he serves as a board member of Capitol Hill Housing.

Executive Director Barbara Wilson gave a brief background regarding the affordable housing report and the recommendations related to inclusionary zoning.

Rick Hooper gave an overview of incentive zoning including the terminology and history. Mr. Hooper noted that inclusionary zoning has been in the land use code since 1985 and that it was initially focused on commercial projects in the downtown core. He added that the maximum could only be achieved through a menu of benefit options and that menu has changed over the years with affordable housing, historic preservation, etc. He continued that the current menu was established in 2001 and it extended the program to residential projects and went beyond downtown.

Mr. Hooper stated that inclusionary zoning is quite different from the incentive zoning approach taken in Seattle which is more complex. He noted that the state law passed in 2006 adds a new step and allows jurisdictions choice. Mr. Hooper stated that their contention has been that the state law does not allow inclusionary zoning.

Mike Podowski stated that it is about 30 years worth of code and that the last couple of steps have led them to look back and say that there are lots of different ways to slice the pie. He noted that one version of inclusionary zoning could be a way to simplify the code allowing for incentives either as a % of units or a % of floor area.

Ms. Wilson stated that the way she understood it, you can't actually mandate the size of units but could require the combination of units to be comparable. Mr. Hooper responded that was his understanding as well, that the affordable units needed to be comparable.

Commissioner Johnson asked if there were a legal constraint requiring the units to be a minimum size. Laura Hewitt Walker replied that the distribution needs to be the same as the rest of the building but that there was no legal constraint on size. Chris Fiori stated that the way that the process works now, the developer who wants the additional height will put affordable units in the building. He wondered why a developer would go through that process, not use the incentive, but still is required to provide affordable housing. Ms. Walker answered that it is part of the upzone. Mr. Fiori noted that a few years ago Broadway was upzoned and wondered what they could have done then to require those developers to meet affordability goals. Mr. Hooper responded that they could have incorporated incentive zoning and if they had it would have been their basic incentive program.

Commissioner Johnson asked if there is something in the State Constitution that states that there cannot be zoning that requires specific unit sizes. Mr. Hooper answered that their law department has been telling them that since this legislation is very specific, it implies that you cannot do anything else. Ms. Wilson wondered about contract rezones. Mike Podowski noted that the idea is that it is eligible to be used regardless of the type of rezone. Ms. Wilson noted that for the Affordable Housing Report they would like to know what is allowed/not allowed.

Commissioner Benotto wondered about larger units versus affordability and noted that some municipalities have both. She asked if you can do family size units with the incentive program. Commissioner Roewe stated that it might be at the sacrifice of the number of units. Commissioner Khouri asked if you have to include those would they have to be affordable. Mr. Hooper replied that they will have to research that.

Mr. Fiori stated that this is just one tool and that there might be easier tools to use. He added that he was not sure how inclusionary zoning would work and felt that it would be really difficult. Mr. Fiori stated that it would put the burden of cost on developers, land owners, and new residents. He added that there is already a robust program to subsidize very low income housing. He continued that he would urge the Commission to get into the details before stamping this as the right way to go forward. Commissioner Chris Persons agreed with Mr. Fiori and stated that more research needs to be done and that state law can be interpreted differently. He stated that the private sector only creates about 50% of housing that are affordable to low income households. Mr. Persons stated that maybe our recommendation should be that we should seriously study this.

Commissioner Roewe asked if the burden falls on the developers and new residents, why not just hit the land value with property tax. Mr. Fiori replied that typically inclusionary mandates that X# of units be affordable which is different that a mandatory incentive program.

Commissioner Persons stated that it is possible that the mandate decreases future development but what has happened in San Francisco. Mr. Fiori stated that the middle class disappears. Commissioner Persons stated that it would be remiss if the Commission did not study this and get some hard answers. He added that there is a huge gap in affordability. Mr. Hooper replied that a number of national groups have studied this and that there is not any evidence to suggest that properties are going undeveloped due to this program as long as there is a clear link between additional development capacity and these requirements.

Acting Chair Cutler stated that 1/8 of homes are affordable at 50% AMI but ¼ households have 50% AMI. He wondered how these programs produce relative to each other. He asked if we are even targeting the right tool for the right type of housing. Mr. Hooper replied that they have charts and tables illustrating income scale. He suggested that they come back to a Commission meeting to dig into the details more.

Commissioner Johnson stated that the most compelling finding is how far short we are in meeting housing affordability needs of the lowest income households. He added that inclusionary zoning seems to be the next step. Mr. Hooper responded that Seattle's programs are the envy of most places in the county. He added that they realize that there is still a lot more work to be done. Mr. Hooper noted that they are trying to draw in private philanthropy groups and trying to hook people up with specific kinds of projects.

Acting Chair Cutler thanked Mike, Rick and Chris for their time.

### **PUBLIC COMMENT**

There was no public comment.

#### **ADJOURNMENT**

Acting Chair Cutler adjourned the meeting at 5:30 pm.