

Incentive Zoning

What is it?

Incentive zoning is a land use tool that enables developers to achieve extra floor area when they provide affordable housing and, in some zones, other public amenities. The affordable housing is intended to primarily serve Seattle's moderate-wage workers (between 60 and 80% of area median income).

Where is it available?

These options are available in areas where rezones allow additional development potential subject to incentive zoning provisions. At this time, the Non-Residential Bonus Program is available in Downtown on lots zoned DOC 1, DOC 2, DMC 240, and DMC 340; in South Downtown on lots zoned IDM, DMR, and DMC; and in certain South Lake Union IC zones. The Residential Bonus Program is available in Downtown on sites zoned DOC-1 Unlimited/450-Unlimited, DOC-2 500/300-500, DMC 240/290-400, and DMC 340/290-400; in South Downtown on sites zoned DMC, DMR, IDM, IDR, and in certain PSM zones; on lots in any zones with an incentive zoning suffix; in urban villages, urban centers and the Station Area Overlay District on lots zoned MR and MR/85 zones; and on lots zoned HR; and in the Dravus neighborhood on lots zoned SM/D/40-85.

How does it work?

Program specific vary by zone; however, in each program property owners may gain **extra floor area** beyond the **base development capacity** up to a **maximum development capacity** by providing **public benefits** according to specified ratios and standards. For zones with height limits of 85 feet or less, all extra floor area must be gained by providing affordable housing benefits for residential floor area or by providing affordable housing and child care benefits for commercial floor area. For zones with height limits greater than 85 feet, extra floor area must be gained by providing a combination of benefits. For residential floor area, 60% of the floor area must be gained by providing affordable housing and 40% through other benefits. For commercial floor area, 75% of the floor area must be gained by providing affordable housing and child care benefits and 25% through other benefits. Standards of each type of benefit are generally as follows:

Affordable Housing

To achieve extra floor area by providing affordable housing, the developer can do one or more of the following:

- Provide affordable housing on-site or off-site equal to 15.6% of the extra floor area obtained for commercial floor area and 14% for residential floor area
- Pay a fee-in-lieu of \$18.75 per gross square foot of bonus floor area for commercial floor area or \$15.15 for residential (note: these fees are being increased to \$24.43 and \$21.68 and will automatically increase over time)
- Purchase transfer of development rights to preserve existing affordable housing (for commercial only)

Affordable housing provided on-site or off-site must be affordable for 50 years for a household making 80% of AMI for rental and 100% of AMI for occupant-owned units.

Child Care

As discussed above, child care benefits are only required to obtain commercial floor area and are required in addition to affordable housing requirements. This requirement can be met by providing a child care facility on-site or by paying \$3.25 per gross square foot of extra floor area.

Other Benefits

The types of other public benefits required to obtain extra floor area vary by zone but generally include open space, green street improvements, on-site amenities, or transfer of development rights (TDR) to protect historic structures, create open space, or protection regional farms and forests.

Minimum Requirements

In addition to the affordable housing, child care, and other benefits that must be provided to obtain extra floor area, developers must also meet certain minimum requirements to use the incentive zoning program. These minimum requirements vary by zone, but generally include green building certification through LEED or Built Green and creation of a Transportation Management Plan.

Where can I get more information?

Visit www.Seattle.gov/Housing/Incentives for the most current information.