Updating Seattle's Neighborhood Residential zoning

A proposal to increase housing choice and fulfill requirements of House Bill 1110

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City of Seattle MAKERS

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Introduction

Purpose

This report describes a revised proposal for updating Seattle's Neighborhood Residential zoning, including visualizations of potential outcomes. Neighborhood Residential currently represents Seattle's lowestdensity residential zoning and consists primarily of detached homes. We published an initial proposal in March 2024. This revised proposal includes changes that respond to feedback received during public engagement in March through May 2024.

New Neighborhood Residential zoning is one part of the City's effort to update our Comprehensive Plan, which guides how our city grows and makes investments. The Plan guides City decisions about where we allow new housing and the forms it can take in different areas of the city. Our updated Plan, called the One Comprehensive Seattle Plan, seeks to address challenges new and old: racial disparities, rising housing costs, access to economic opportunity and education, climate change, and more. Addressing these issues requires identifying ways to increase the supply, diversity, and affordability of housing and ensuring all neighborhoods are accessible to households with a diverse range of incomes and housing needs. Updating our Neighborhood Residential zoning, which governs the amount and types of housing allowed in the majority of Seattle, is one necessary step towards realizing this vision.

Updates to Neighborhood Residential zoning are also required under new state law. Passed in 2023, House Bill 1110 (HB 1110) requires cities across the state to allow a greater quantity and variety of housing in areas currently reserved for detached homes.



Updating Seattle's Neighborhood Residential zoning

New state legislation on housing

In 2023, the Washington State Legislature adopted House Bill 1110 (HB 1110), often referred to as the Middle Housing Bill. HB 1110 requires cities in Washington to allow **middle housing** throughout residential areas and limits how cities can regulate this housing. The bill defines middle housing as "buildings that are compatible in scale, form, and character with single-family houses and contains two or more attached, stacked, or clustered homes including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing." In Seattle, the bill requires zoning that allows:

- · At least four units on all residential lots
- At least six units on residential lots within a quarter mile of major transit stops (such as light rail and bus rapid transit)
- At least six units on residential lots if two units are income-restricted affordable housing

The concepts described in this document are intended to comply with the requirements of HB 1110.



Example middle housing types: eight-unit courtyard housing (left) and fourplex (right)

Zoning changes to implement HB 1110

The proposal for updated Neighborhood Residential zoning increases the number of homes allowed per lot to expand housing choices and comply with state law, while generally retaining the number of stories allowed today.

The proposed standards would vary from existing requirements in several other key ways:

- The Floor Area Ratio (FAR), which regulate the scale of development, would increase for developments maximizing density from around 1.0 to 1.2.
- Lot coverage would increase to 50 percent, compared to 35-40 percent for most lots today.
- Front and rear setbacks would be reduced to allow a wider range of layouts and more

usable open spaces for residents in the interior of a site. We would encourage porches by allowing them in the front setback.

- Unit lot subdivision would be allowed, as required by new state law. This would allow straightforward fee simple sale and ownership of homes, compared to the more complex condominium arrangements used currently when multiple homes are built and sold on one site.
- New open space requirements would result in more usable open space for residents.

Examples of potential development that could occur under these proposed rules are shown at the end of this document.

Base standards in updated Neighborhood Residential zones

Alternative standards for stacked flats and affordable housing are shown on the following pages.

| Maximum density | 1 unit per 1,250 square feet of lot area except that, consistent with state law, at least four units are allowed on all lots, regardless of lot size, and six units within a quarter-mile walk of major transit or if two units are affordable |
|--|---|
| Floor area ratio (FAR) | The amount of floor area allowed is equal to the lot size times the FAR. Proposed FARs are: 0.6 FAR for density below 1/4,000 sq ft (e.g., one unit on a 5,000 sq ft lot) 0.8 FAR for density between 1/4,000 and 1/2,200 sq ft (e.g., two units on a 5,000 sq ft lot) 1.0 FAR for density between 1/2,200 and 1/1,600 sq ft (e.g., three units on a 5,000 sq ft lot) 1.2 FAR for density of at least 1/1,600 sq ft (e.g., four units on a 5,000 sq ft lot) |
| Lot coverage | 50 percent |
| Height limit | 3 stories for market-rate development 4 stories for development with income-restricted affordable homes |
| Minimum open space requirement | 20 percent of lot area The minimum dimension for usable open space is 8 feet or, if the open space includes a circulation pathway serving multiple buildings, 11 feet Open space may be private or shared At least half of the open space must be at ground level. Only half of open space not at ground level counts toward this requirement. |
| Minimum setbacks and separations | Front: 10 feet Rear: 10 feet without an alley, 5 feet for ADUs, and zero feet with an alley Side: 5 feet Separation between buildings within property: 6 feet Covered porches may extend up to 6 feet into setback, with up to 100 sq ft per porch allowed in setback Bay windows and balconies may extend up to 2 feet into setback if limited to 8 feet in width |
| Accessory dwelling units | Accessory dwelling units (ADUs) would count toward the density and floor area limits shown above and be subject to the same standards as principal dwelling units except for a maximum size limit of 1,000 square feet. |

Affordable housing bonus

Neighborhood Residential zones are some of the most expensive and exclusive areas of Seattle. The updated Neighborhood Residential zones would help address this pattern by increasing housing supply overall and allowing smaller housing types in particular. But most new market-rate housing in these areas will likely remain unaffordable to low-income households due to factors like the high cost of development. Achieving more racial and economic inclusion in Neighborhood Residential areas — a central objective of the One Seattle Plan — requires proactive policies that encourage creation of housing affordable to low-income people in these neighborhoods.

One way to support this goal is with development standards that increase the feasibility of low-income housing. Today, restrictive zoning limits its feasibility in Neighborhood Residential areas. Under House Bill 1110, cities like Seattle must allow six units per lot if at least two are affordable to low-income households. The proposed Neighborhood Residential zones would also allow additional height, floor area, and density on sites within a quarter-mile of frequent transit that provide more income-restricted homes.

Most low-income housing created with these provisions would likely be permanently affordable homeownership developments, as it is difficult to do affordable rental housing at this small scale. Recent examples of permanently affordable homeownership projects in Seattle include cottage-style development in RSL zones and stacked affordable condos in Capitol Hill.

Affordable housing development would be subject to all standards for NR zones with the following exceptions:

| Maximum height | 4 stories |
|---------------------------|--|
| Maximum lot coverage | 60 percent |
| Maximum density | 1 unit per 400 square feet of lot area |
| Floor area ratio (FAR) | 1.8 |
| Affordability requirement | At least half of units must be price- and income-restricted so they are affordable to households making 60% of area median income (AMI) for rental units or 80% of AMI for ownership units |





AFFORDABLE HOUSING WITH BONUS

A small building with flats affordable to low-income households. Homes would likely be owned as permanently affordable condominium units. A single stair provides access to each floor.



Street-level view

| Total units | 8 |
|------------------------|-------|
| Floor area ratio (FAR) | 1.8 |
| Average unit size | 1,125 |
| Stories | 4 |
| Lot size | 5,000 |
| Building coverage | 45% |
| Usable open space 🛛 📉 | 44% |
| Building plus paving | 47% |
| Parking spaces | 0 |





Street

Stacked flat bonus

Stacked flats are a housing type where each unit is on one level. They can be offered as apartments for rent or created as condominiums sold to homebuyers.

During public engagement in spring 2024, we heard many comments that the City should do more to support the development of stacked flats, especially on quieter streets where rental housing and lower-cost ownership options tend to be scarce. Comments focused on the benefits of stacked flats in allowing residents to live on one floor. This type of housing can be especially helpful for older adults wishing to stay in place and for people who require accessible units. Stacked housing also supports the creation of lower-cost homes. Consequently, we are proposing to allow additional floor area and density for stacked flats in certain circumstances to encourage this type of development.

Stacked flats on lots of at least 6,000 square feet located within a quarter-mile of frequent transit would be subject to all standards for NR zones with the following exceptions:



Floor area ratio (FAR) Maximum density 1.8

1 unit per 650 square feet of lot area



STACKED FLATS WITH BONUS

Nine-unit apartment or condo building using the stacked flat bonus to achieve additional floor area and provide more homes.



Street-level view

| Total units | |
|------------------------|------|
| Floor area ratio (FAR) | 1 |
| Average unit size | 93 |
| Stories | |
| Lot size | 6,00 |
| Building coverage | 47 |
| Usable open space 📈 | 42 |
| Building plus paving | 51 |
| Parking spaces | |



Corner stores

One goal of the One Seattle Plan is to create neighborhoods where people can walk and bike to everyday needs. Corner stores help to achieve this goal by providing services and retail in primarily residential areas that may be far from larger business districts. Allowing small commercial uses in residential zones also allows entrepreneurs to start small businesses that contribute to neighborhood vibrancy and cohesion. Relics of the era when small corner stores were ubiquitous exist throughout Seattle's residential areas, though most have since been converted to residential uses due to changes in zoning intended to create more separation of uses.

We propose to allow limited commercial uses, such as retail and food and beverage services, on corner lots in Neighborhood Residential zones. Commercial uses would be limited to the ground floor and basements, although ancillary uses such as storage and office spaces could be allowed on the upper floors. Rules would apply regarding hours of operation, delivery, noise, odor, and the location and screening of solid waste and other outdoor activities. No parking would be required for corner stores since commercial uses in residential areas less than 2,500 square feet in size are already exempt from parking requirements.

New corner stores would most likely result through conversion of existing residential structures, including reestablishing commercial uses in structures previously used as a business. Depending on the size and layout of the structure, residential uses could be maintained on site. For example, an existing two-story structure could be converted into a small corner store with storage and offices on the second floor, or the second story could remain in residential use for the operator's home or as a rental unit. Alternatively, a garage in the front of a unit could be converted into a commercial use such as a cafe - common in Seattle's Residential-Commercial (RC) zones – while maintaining the existing home behind it. Some new development with purpose-built commercial could be built on corners with heavier pedestrian and traffic volumes. However, development of this type would likely occur infrequently due to the high cost of new construction and the relatively lower value of commercial space outside business districts.

Development with commercial uses on corner lots would have to meet all Neighborhood Residential standards with the following exceptions:

| Setback and separations | Reduced setback of t commercial spaces of Upper floors required | • | for | |
|-------------------------|--|---|-----|--|
| Height and noise | Two additional feet of height for the ground floor to allow for taller ceilings and additional soundproofing for residential use above | | | |
| | | | | |



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CORNER STORE

A mixed-use building with ground-floor commercial space that serves the surrounding neighborhood and four homes in the two stories above.

The ground floor would be subject to a reduced setback while the upper floors would still need to meet the 10-foot setback requirement. This type of development would be allowed only on corner lots.





Street-level view



Additional changes to development standards

Off-street parking

Off-street parking requirements can have significant impacts on the design and cost of housing and increase car usage and greenhouse gas emissions. While offstreet parking can reduce competition for parking on the street, it also increases the cost of construction; reduces the amount of space available for housing, open space, and trees; increases hardscape and runoff; and encourages vehicle ownership and use. On small lots, driveways, maneuvering areas, and parking stalls can take up a substantial portion of the site and dictate the layout of everything else on the site. In many cases, these areas end up occupying the entire interior of a site, leaving only small areas of open space at the front and rear. However, off-street parking can also support goals like providing space for electric vehicle charging.

Currently, Neighborhood Residential zones require one off-street parking space per principal

dwelling unit, unless the lot is smaller than 3,000 square feet, less than 30 feet in width, or located in a Residential Small Lot zone near frequent transit. Given that ADUs do not require parking, Neighborhood Residential zones today effectively require one parking space per three dwelling units.

New state law also prohibits cities from requiring offstreet parking within one-half mile walking distance of a stop for light rail, commuter rail, or bus rapid transit for middle housing. In our proposal, no minimum parking requirement would apply for Neighborhood Residential zones within a half-mile of a major transit stop, as required by HB 1110. Elsewhere in Neighborhood Residential, one parking space would be required per two principal dwelling units. The development examples in this document illustrate a range of parking outcomes given these possible scenarios.

Open space

Open space on lots in Neighborhood Residential zones creates space for residents to be outside and for trees and vegetation. Our proposal is a requirement that 20 percent of the lot be set aside as open space. Open space would include areas outside building footprints, driveways, and parking stalls with a width and depth of at least 8 feet or, if they contain a pathway accessing multiple units, 11 feet. Covered porches would count towards open space, but balconies and roof decks would not. Open space may be shared between multiple units or private. At least half of the open space must be at ground level, and only half of open space not at ground level would count toward the requirement. During past public engagement, many people supported creating more homeownership options that allow for usable green space. This proposed standard aims to ensure a reasonable amount of open space in new developments, while giving homebuilders flexibility in how they integrate it into their designs. To create the development examples in this document, we tested different approaches to open space. The 20 percent requirement was achievable under all scenarios but required careful design in many situations. Each development example in this document includes an open space calculation and identifies where the open space is located on the lot.

Trees and vegetation

Trees in Neighborhood Residential zones are protected by multiple regulations:

- The Tree Protection Code limits the number, size, and type of trees that can be removed from private property and establishes requirements for replacing trees cut down.
- Tree planting requirements require planting of trees as part of development.
- Street tree requirements limit removal of street trees and require planting of new street trees as part development.
- Environmentally critical areas (ECA) and Shoreline regulations protect trees and vegetation around shorelines, creeks, wetlands, and steep slopes.

In May 2023, the tree protection and street tree requirements were <u>updated</u>, lowering size thresholds, strengthening protections, requiring mitigation for trees removed, and requiring street trees as part of development. We propose to update tree planting requirements – the only rules for Neighborhood Residential not updated in May 2023 – to help meet citywide tree canopy goals in the context of new development allowed in these areas. Our proposal applies the tree planting requirements that currently exist only in Residential Small Lot zones to encourage the planting of larger species trees.

Currently, development in NR1, NR2, and NR3 zones requires the planting of two caliper inches of tree – roughly the width of a new tree's trunk – per 1,000 square feet of lot area. On a 5,000-square-foot lot, this requires planting five new two-caliper-inch small or large species trees or transplanting one 10-caliperinch tree. Absent an incentive to plant larger species trees, developers generally opt for smaller species.



Under the new requirements, a point system would encourage retention of existing trees and the planting of larger species trees and conifers. The number of points required would vary based on the number of homes on a lot. New development with density of 4 homes on a 5,000 square foot lot would need to achieve one point per 750 square feet lot area while a single home on the same lot would have to achieve one point per 500 square feet of lot. A table showing how tree points could be achieved is shown below.

| Type of tree | Non-conifer trees | Conifer trees |
|--|------------------------------|----------------------------------|
| Small tree planted after construction | 1 point | 1.25 points |
| Small/medium tree planted after construction | 2 points | 2 points |
| Medium large tree planted after construction | 3 points | 3.75 points |
| Large tree planted after construction | 4 points | 5 points |
| Tree 6 inches in diameter or greater preserved during construction | 1 point per inch of diameter | 1.25 points per inch of diameter |

ECAs and Shorelines

State law requires that changes to increase housing choice in Neighborhood Residential zones also apply to lots with environmentally critical areas (ECAs) like creeks, wetlands, and steep slopes and those along shorelines. However, cities can reduce the density allowed based on the portion of a lot outside these areas.

To implement this provision, we propose to exclude the following areas when calculating lot size for purpose of density and lot coverage requirements:

- riparian corridors (i.e., the areas around creeks)
- wetlands and their buffers
- submerged lands and areas within the Shoreline District
- · designated non-disturbance areas in steep slopes

Design standards

No design standards apply currently in Neighborhood Residential zones. We propose to implement the following new design standards:

- Access. Each unit must have a pedestrian access pathway at least 3 feet in width between the entrance and the street
- Entries. Each street-facing facade must have a pedestrian entry with weather protection, such as a covered porch, canopy, recessed entry, or similar feature, measuring at least 3 feet in both width and depth.
- Windows and doors. At least 20 percent of the area of each street-facing facade shall consist of windows and/or doors.
- Materials. At least 60 percent of the area of each street-facing facade shall consist of windows, doors, or materials that contain breaks every 12-16 inches. This standard aims to add visual interest through texture, details, and shadow lines and reduce the perceived scale and bulk of walls

The intent of this change is to allow development outside ECAs, the Shoreline District, and their buffers consistent with development allowed elsewhere – while limiting development within ECAs, the Shoreline District, and their buffers. For example, on a 10,000-square-foot lot for which half the lot is in ECAs, shorelines, and their buffers, the lot could contain a density of units and an amount of lot coverage equal to a standard 5,000 square foot lot.

Existing lots would be allowed to have at least one dwelling unit and a lot coverage of at least 600 square feet even if the entire property is within these areas.

The proposal encourages better materials, windows facing the street, and welcoming entries...



...and aims to prevent blank or monotous street-facing facades without entries and with few windows.



Other development standards

Maximum height

We propose to increase the height limit from 30 feet to 32 feet to encourage more livable homes and better design outcomes within the existing three-story scale. The current height limit pushes builders to locate the first floor at grade and have minimum separation between floors to achieve reasonable floor to ceiling heights. A higher limit can allow the first floor to be raised above grade to create privacy and separation for residents, provide more acoustic separation between floors, and result in higher floor-to-ceiling heights that let in more light and create better living space.

Pitched roof exemption

Pitched roofs are already allowed to extend up to five feet above the height limit if they meet a minimum pitch of 4:12. We propose to add a height exception for shed roofs (roofs slanted in only one direction) since they support solar panels.

Mandatory Housing Affordability (MHA)

In zones with MHA requirements, development is required to contribute to the creation of affordable housing by reserving a portion of units as rent- and income-restricted affordable units or by paying into a fund to create affordable units off-site. MHA is generally applied in multifamily and commercial zones when a significant increase in development capacity has been provided to offset the cost of the requirements. MHA does not apply in NR zones today, and we do not propose to apply it as part of this update.

Next steps & engagement

We are eager for feedback on this updated proposal, draft legislation to implement the proposal, and maps of proposed rezones during October through December 2024. Comments can be submitted online at zoning.oneseattleplan.com.

We will also host in-person information sessions so community members can talk directly with staff. More information on the Comprehensive Plan Update and events is available at.

After this engagement period, we will transmit legislation to enact the proposed changes to the City Council for their deliberation and adoption. We anticipate that City Council will adopt the final legislation by June 2025.





SEMI-ATTACHED HOMES WITH AUTOCOURT

A detached home and a side-by-side duplex, with two surface parking spaces and one garage space accessed from the street.



Street-level view

| Total units | 3 |
|------------------------|-------|
| Floor area ratio (FAR) | 1.0 |
| Average unit size | 1,667 |
| Stories | 3 |
| Lot size | 5,000 |
| Building coverage | 33% |
| Usable open space 🛛 📉 | 27% |
| Building plus paving | 59% |
| Parking spaces | 3 |





TWO DUPLEXES WITH ALLEY ACCESS

Four homes in two side-by-side duplexes with access to surface parking from an alley.



Street-level view

Existing precedent

| - | |
|------------------------|-------|
| Total units | 4 |
| Floor area ratio (FAR) | 1.2 |
| Average unit size | 1,500 |
| Stories | 3 |
| Lot size | 5,000 |
| Building coverage | 40% |
| Usable open space 🛛 📉 | 33% |
| Building plus paving | 66% |
| Parking spaces | 4 |
| | |
| | |

Street

TWO DUPLEXES WITHOUT ALLEY ACCESS

Four homes in two side-by-side duplexes with four parking spaces accessed from the street.





Street-level view

Total units 4 1.2 Floor area ratio (FAR) Average unit size 1,500 Stories 3 Lot size 5,000 Building coverage 40% Usable open space 20% Building plus paving 73% Parking spaces 4





Existing precedent

| Total units | 4 |
|------------------------|-------|
| Floor area ratio (FAR) | 1.2 |
| Average unit size | 1,500 |
| Stories | 3 |
| Lot size | 5,000 |
| Building coverage | 40% |
| Usable open space 🛛 📉 | 21% |
| Building plus paving | 72% |
| Parking spaces | 4 |





UPDATING SEATTLE'S NEIGHBORHOOD RESIDENTIAL ZONING

TWO DUPLEXES WITHOUT ALLEY ACCESS

Four homes in two duplexes with two surface parking spaces accessed from the street.



Street-level view

| Total units | 4 |
|------------------------|-------|
| Floor area ratio (FAR) | 1.2 |
| Average unit size | 1,500 |
| Stories | 3 |
| Lot size | 5,000 |
| Building coverage | 40% |
| Usable open space 🛛 📉 | 38% |
| Building plus paving | 58% |
| Parking spaces | 2 |



TWO DUPLEXES WITHOUT ALLEY ACCESS

Four homes in two side-by-side duplexes without parking.



Street-level view

Existing precedent

| Total units | 4 |
|-----------------------------|-------|
| Floor area ratio (FAR) | 1.2 |
| Average unit size | 1,500 |
| Stories | 3 |
| Lot size | 5,000 |
| Building coverage | 40% |
| Usable open space | 51% |
| Building plus paving | 56% |
| Parking spaces ¹ | 0 |

¹ This scenario with no parking would be possible only on sites within a half-mile of a major transit stop.

