Director's Analysis and Recommendation on Othello Rezone Proposal

Department of Planning and Development Draft: October 12, 2011

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I. Executive Summary

The Department of Planning and Development (DPD) is recommending rezones based on the Othello Town Center Urban Design Framework (2011) to carry out key actions identified by the community during the recent update of the Othello Neighborhood Plan. The rezones are intended to encourage future development that respects the context of the neighborhood core, achieves appropriate transitions to less intensive zones, and supports the neighborhood's pedestrian and transit orientation around the Othello Light Rail Station.

These rezones are the product of a two year neighborhood plan update process that engaged a broad cross section of the community through hands-on workshops, interactive meetings with community-based organizations, questionnaires and other means. All of the proposed rezones are within the current boundaries of the Othello Residential Urban Village and are within areas designated Commercial/Mixed Use or Multi-Family Residential on the Comprehensive Plan's Future Land Use Map.

This report contains analysis of the proposed rezones using general rezone criteria related to commercial, multifamily and single family zones. It also reviews each rezone as it relates to specific criteria for each new zone. The report provides an assessment of the proposal's effect on estimated development capacity. DPD has conducted an associated environmental analysis (SEPA) and made a determination of non-significance. DPD recommends adoption of the entire package of rezone proposals.

II. Introduction

DPD is recommending 5 rezones to implement the goals and policies of the recent Othello Neighborhood Plan Update to create a safe and vibrant Town Center that supports the economically and culturally diverse community of Othello. The proposed rezones will help guide current and future development in the neighborhood core around the Othello light rail station. The following are the key elements of the rezone:

Scope. The proposed rezones include approximately 29 acres of land, centered on the neighborhood core around MLK Jr. Way South. All of the rezones are depicted on Exhibits A and B: Othello Rezone Map 1 and 2. The 5 rezone areas are identified as follows:

- Area A: Rezone an existing Lowrise 3 (LR3) zone to Neighborhood Commercial 3 with a height of 65 feet (NC3-65)
- Area B: Rezone an existing Neighborhood Commercial 3 with a height of 65 feet (NC3-65) to Neighborhood Commercial 3 with a height of 85 feet and a pedestrian designation (NC3P-85)
- Area C: Increase the allowable height in the existing Neighborhood Commercial 3 with a pedestrian (NC3P) designation from 65 feet to 85 feet
- Area D: Rezone an existing Lowrise 2 (LR2) zone to Neighborhood Commercial 3 with a height of 85 feet and a pedestrian designation (NC3P-85)
- Area E: Rezone an existing Single Family (SF 5000) zone to Commercial 1 with a 40 foot height limit (C1-40)

Pedestrian Overlay. A Pedestrian (P) designation already exists along MLK Jr. Way S. from S. Myrtle Street to about S. Holly Park Dr. The existing P designation will remain in these areas and will be expanded to include parcels on the north and south side of the existing P zoned area. The P designation is a suffix to a zoning classification that denotes additional development standards intended to protect or encourage a pedestrian-oriented retail environment. See SMC 23.34.086 for the full intent and purpose of the P designation.

Incentive Zoning Provisions for Affordable Housing. Under this proposal, all additional floor area capacity allowed through the rezone will be contingent on the provision of public benefits according to SMC Chapter 23.58A, Incentive Provisions. Chapter 23.58A was adopted by Council in December of 2008 in order to define the process and criteria for allowing extra floor area contingent on the provision of public benefits. Under this chapter, the City can require that additional floor area beyond current zoning be allowed contingent on the provision of certain public benefits by the developer. Zoning contingent on the provision of public benefits is notated on zoning maps by indicating a base Floor Area Ratio (FAR) in parentheses after the zoning designation. For example, the notation NC3-65 (2.0) indicates a zoning of NC3-65 with a base FAR of 2. All extra floor area above this base FAR requires the provision of public benefits per Chapter 23.58A.

Future development using the additional floor area allowed through this rezone would be required to comply with incentive zoning provisions in place at the time of permitting. Currently, Chapter 23.58A requires that all extra floor area allowed for buildings in zones with a maximum height limit of 85 feet or less be achieved by providing affordable housing on site or through a payment in lieu. Since the rezone will not result in height limits greater than 85 feet, all extra floor area in the rezone area would be achieved by providing affordable housing in this manner. For example, under existing requirements, developers would be required to provide housing units affordable to households with incomes up to 80% of median income (for rental housing), equivalent to 17.5% of the additional square footage beyond the base FAR. The percentage of floor area to be provided as affordable housing varies depending on the specific income levels the housing will serve.



Exhibit A: Othello Rezone Map 1

Exhibit B: Othello Rezone Map 2

Exhibit "B"



III. Background

Link Light Rail Service and Othello Station.

In 2009, Sound Transit initiated Link Light Rail service and the Othello light rail station opened. The Othello station is located in the Othello neighborhood core in close proximity to substantial retail development and New Holly.

2009 Neighborhood Plan Update.

In the early 1990s, Seattle began a neighborhood planning that involved over 20,000 residents and created plans for 38 Seattle neighborhoods. These plans provided direction on a broad range subjects important to neighborhoods. The Othello (then called MLK @ Holly St) Neighborhood Plan was completed in 1999.

A decade later unanticipated changes and new opportunities prompted a plan update. Beginning in March of 2009, community members began working to update the plan. The result of this work was summarized in January 2010 in the Othello Neighborhood Plan Update. One outcome of this process was a decision to rename the MLK at Holly Street neighborhood to Othello. Creating a vital, pedestrian friendly, transit oriented Town Center, a central theme of the initial neighborhood plan, continues to be a neighborhood priority. The Othello Town Center is envisioned as a vibrant neighborhood core that concentrates housing, commercial uses, services and employment opportunities--a hub that is well served by light rail and other comfortable and convenient travel options.

Over the course of the two-year neighborhood plan update process, a broad cross section of the community engaged with planners in a variety of ways. From hands-on workshops and smaller scale interactive meetings with community-based organizations, to online updates and questionnaires, the community had many opportunities to engage and stay involved. Reaching a broad range of those who live and work in Othello, including those who have been historically underrepresented in the planning process was a primary objective of the plan update process. During 2009, community members expressed their views at 38 neighborhood and City-sponsored meetings and events for the three neighborhood plan update area. From this process, 10 Goals and their corresponding Policies and Strategies emerged in the Neighborhood Plan Update. Some of the policies and strategies most relevant to land use and zoning are included below:

- **Strategy 1.5.** Explore strategies to retain or add affordable commercial space to support multicultural character.
- **Strategy 2.1**. Encourage more pedestrian traffic and "eyes on the street" in both the commercial and residential portions of new developments by encouraging dense development in the Town Center.
- **Strategy 3.5.** Within mixed-use zones in the Station Area Overlay District, consider minimum residential densities (related to the zoning designations).
- **Policy 8.C**. Encourage dense urban development in the Town Center in a manner that creates a vibrant and active commercial district supportive of the community, along with residential infill development to increase the housing supply.

- **Strategy 8.7.** Rezone key opportunity sites to encourage redevelopment of parcels around the light rail station in a manner that incorporates housing, commercial services (such as a grocery store and small businesses) and amenities.
- Strategy 8.8. Evaluate proposed height and land use changes within the Town Center.
- **Strategy 8.9.** Explore re-zone of block between MLK Jr. Way S. and 43rd Ave. S. from S. Othello to S. Webster to 65' height, especially along S. Othello to create consistent frontage along Othello Park.
- **Strategy 8.10.** Maintain ongoing collaboration with Sound Transit, property owners, and community members to pursue redevelopment opportunities in the station area.
- **Strategy 8.11.** Proactively assess utility capacity within the Town Center to ensure that it can support the desired future density.
- **Strategy 8.12.** Promote retail, restaurant and entertainment uses that are pedestrianoriented and provide a high level of street activity.
- **Strategy 8.13.** Encourage well-designed residential infill development to increase the housing supply.
- **Strategy 8.14.** Encourage well-designed multifamily development to contribute to the development of a mixed-use Town Center development.

Urban Design Framework.

In May of 2010, Othello community members and the City of Seattle formed a Town Center action team to assist in the implementation of goals, strategies and action items identified in the recent neighborhood plan update. In October this team met to further define the vision and make specific recommendations on how to change the physical form of the neighborhood to make the Othello Town Center more vital, walkable and economically successful. Based on these discussions, DPD developed a draft Urban Design Framework which provided a blueprint for how the physical elements of the neighborhood plan update can be realized. This document focused on the massing, land uses, building design, streetscape design, and conditions for sustainability. The draft Urban Design Framework was posted for comments in April 2011 and was finalized in September 2011. The Urban Design Framework's analysis and recommendations provide the basis for the rezone proposal described in this report.

Future Land Use Map Amendment.

Based on the Goal and Policy revisions to the Neighborhood Plan, changes were also made to the City's Comprehensive Plan Future Land Use Map. These changes were officially adopted by the City Council as part of the 2010-11 Comprehensive Plan annual amendments in Ordinance 123575. Specifically, Council re-designated an area within the MLK at Holly St Residential Urban Village from Single-Family to Commercial/Mixed Use which includes Area E of this rezone. The State Growth Management Act requires jurisdictions to enact zoning that is consistent with the Comprehensive Plan Future Land Use Map. The proposed rezones to Area E would better align zoning in the neighborhood with the Future Land Use Map.

IV. 20-year Growth Estimates

DPD uses a 20-year growth estimate to assess the potential benefits and impacts of proposed zoning changes.

This proposed zoning change is anticipated to increase development potential in the Othello Residential Urban Village by an additional 105 housing units above the 2,082 units currently anticipated under current zoning.

How are 20-Year Growth Estimates Calculated?

DPD develops 20-year growth targets for each area designated as an urban center or urban village. For Othello, the draft 2031 growth target is that the urban village would grow by 2,082 new housing units between 2011 and 2031. Growth targets are based partly on a village's development capacity, which is the amount of new housing and new commercial space that could be added under the current zoning. To estimate the amount of new development that is likely to occur over the next 20 years due to the rezone, DPD assumed that the growth estimate would increase in proportion to an increase in development capacity.

The rezones proposed for the Othello Residential Urban Village will increase the overall development capacity there by about 304 housing units, or 5% of existing capacity of 6046. Increasing the 20-year growth estimate by 5% would mean that over the next 20 years the Othello Residential Urban Village could expect 105 more housing units with the proposed zoning in place than it would see with the current zoning. This revised 20-year growth estimate provides the basis for analyzing the level of impacts the neighborhood could experience due to the proposed rezones.

NOTICE OF CORRECTION

Please note that this section was modified on October 12, 2011 to remove discussion of the 2024 growth target for the Othello Residential Urban Village. This reference was found to be confusing since the draft 2031 growth target was used for this analysis.

V. Rezone Analysis

Current zoning overview.

The Othello Residential Urban Village contains a mix of Neighborhood Commercial (NC2, NC3), Commercial (C1), Lowrise (LR2, LR3) and Lowrise Residential/Commercial (LR3RC) and Single-Family (SF5000) zoning. Neighborhood Commercial is primarily concentrated along MLK Jr. Way S around the light rail station in order to support a denser commercial core. A Pedestrian (P) designation applies to properties fronting on MLK Jr. Way S from S Myrtle St to around S Holly Park Dr.

Intent of zoning changes.

In general, the proposed rezones increase the allowed density and intensity of neighborhood commercial areas near the light rail station with a focus on pedestrian oriented design of new buildings. The intent is to provide for a pedestrian-oriented town center by concentrating commercial and residential growth along MLK Jr. Way South, particularly in the neighborhood core of the Othello neighborhood. These changes will encourage concentration of activity in the neighborhood core and set higher standards for the design of new buildings - requiring active ground level uses, a high degree of transparency in ground level, street-facing facades, and limiting auto-oriented uses and driveways that interrupt sidewalks and jeopardize pedestrians. The proposed zoning fully supports the Goals and Policies of the Othello Neighborhood Plan.

Neighborhood-wide Rezone Criteria

General Rezone Criteria (SMC 23.34.008)

The table below contains analysis of the rezone proposal for all 5 rezone areas against a set of general rezone criteria.

Met?	Analysis – Othello-wide
Yes	The proposal represents an increase in the development capacity available in the neighborhood, thus, this criterion is met.
Yes	The proposal represents an increase in the development capacity available in the neighborhood, thus, this criterion is met.
Yes	A specific analysis of each individual rezone in relationship to criteria for the specific zones is provided in the Zone Specific Criteria section.
Yes	Previous and potential zoning changes were examined, including recent changes to Lowrise Multifamily zones, and were not found to conflict with this proposal.
Yes	The Othello (originally called MLK at Holly St) Neighborhood Plan was adopted in 1999 and its goals and policies were amended in 2010. See page 8 and 9 for a listing of specific neighborhood plan goals and policies applicable to this rezone. The rezone proposal is consistent with the Othello Neighborhood Plan Goals and
	Yes Yes Yes Yes

Criterion	Met?	Analysis – Othello-wide
Where a neighborhood plan establishes policies expressly adopted for the purpose of guiding future rezones, but does not provide for rezones of particular sites or areas, rezones shall be in conformance with the rezone policies of such neighborhood plan. (SMC 23.34.008.D.3)	Yes	 The proposed rezones conform to the Othello Neighborhood Plan Update policies intended to guide future rezones. The proposed rezones address the following policies: Policy 1.F. Support key cultural assets such as the Filipino Community Center, Lao Highland Community Center, and cultural media. Policy 3.B Encourage development of housing available in a range of prices and sizes, including affordable family-sized homes with amenities for families. Policy 8.C Encourage dense urban de- velopment in the Town Center in a manner that creates a vibrant and active commercial district supportive of the community, along with residential infill development to increase the housing supply. Policy 10.B Promote development standards that accommodate a vibrant pedestrian environment throughout the Town Center. In general, the proposal would promote the dense development and support the other goals outlined above by increasing residential and commercial zoning potential to bring more people and jobs to the area, encouraging more neighborhood commercial oriented uses to develop the shopping district, and requiring pedestrian oriented design through the P designation.
The impact of more intensive zones on less intensive zones or industrial and commercial zones on other zones shall be minimized by the use of transitions or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred. Physical buffers may provide an effective separation between different uses and intensities of development. (SMC 23.34.008.E.1)	Yes	The rezone proposal locates more intensive Neighborhood Commercial zones in the neighborhood core and around the commercial core and light rail station. Existing Lowrise (LR) zoned land will provide a transition between the NC zones at the neighborhood core and single-family zones. Discussion of height transitions is included in the next section; however, height limits generally support this transition with appropriate height limits primarily next to LR2 and existing NC2 & NC3.

Criterion	Met?	Analysis – Othello-wide
		The proposal would result in limited areas where more intense NC zones with a height of 65 or 85ft are located across the street from a single-family zone. The proposal would create a transition from NC3P-85 to SF5000 across S Willow St; however this transition affects a very minimal area that is located directly adjacent to MLK Jr. Way S and only one block from the station. The proposal would also create a transition from NC3P-85 to SF5000 across 43 rd Ave S; however this area is buffered by the presence of Othello Park.
Physical buffers may provide an effective separation between different uses and intensities of development. (SMC 23.34.008.E.2)	Yes	The proposed rezones consider and use the available physical buffers including Othello Park.
Boundaries between commercial and residential areas shall generally be established so that commercial uses face each other across the street on which they are located, and face away from adjacent residential areas. An exception may be made when physical buffers can provide a more effective separation between uses (SMC 23.34.008.E.3).	Yes	In a majority of instances, the proposed rezones will result in Neighborhood Commercial (NC) zoned lots facing each other along MLK Jr. Way S. Proposed changes to area A could result in additional commercial uses facing residential across 38 th Avenue S; although this area is already generally of a commercial nature. Proposed changes to area E would expand existing commercially zoned land that fronts on MLK Jr. Way, but could potentially result in commercial uses that face the residential area across 37 th Ave S.
In general, height limits greater than forty (40) feet should be limited to urban villages. (SMC 23.34.008.E.4).	Yes	All areas within the rezone proposal are within the residential urban village.
Negative & positive impacts on the area, including factors such as housing (particularly low-income housing), public services, environmental factors (noise, air & water, flora & fauna, odor, glare & shadows, energy), pedestrian safety, manufacturing activity, employment activity, architectural or historic character, shoreline review, public	Yes	The rezone proposal provides for a modest increased capacity for new development of slightly more intensive mixed use neighborhood. This could result in minor negative impacts such as increase in shadowing by new structures, replacement of some existing single family and smaller scale housing structures, and some minor increase in local traffic. The area is largely built-out

Criterion	Met?	Analysis – Othello-wide
access and recreation, should be examined. (SMC 23.34.008.E.4.1).		so impacts on natural systems are limited. Minor negative impacts described above would be offset by positive impacts. For instance, new development could enhance vegetative cover by complying with Seattle's green factor. Since the City's incentive zoning program for affordable housing will be applied, new affordable housing units are likely to be created. Development resulting from the proposed zoning would increase pedestrian-focused retail activity; enhance the neighborhood's existing employment opportunities; increase housing opportunities and diversify the area's housing stock; improve pedestrian safety by improved sidewalks with new development; and allow new residences and businesses in close proximity to the Othello light rail station so as to offer increased opportunities to use mass transit.
Development which can reasonably be anticipated based on the proposed development potential shall not exceed the service capacities which can reasonably be anticipated in the area, including street access, street capacity, transit service, parking capacity, utility and sewer capacity. (SMC 23.34.008.E.4.1).	Yes	This rezone is not anticipated to result in exceeding service capacities. This conclusion is based on review and analysis of the <i>Seattle</i> <i>Station Area Transportation Analysis: North</i> <i>Beacon Hill – Othello – Mount Baker</i> (Fehr Peers, May 2011) and a <i>Light Rail Station</i> <i>Area Parking Monitoring Program</i> report (Heffron Transportation, March 2011) as well as consultation with relevant departments.
Evidence of changed circumstances shall be taken into consideration in reviewing proposed rezones, but is not required to demonstrate the appropriateness of a proposed rezone. Consideration of changed circumstances shall be limited to elements or conditions included in the criteria for the relevant zone and/or overlay designations in this chapter. (SMC 23.34.008.G).	Yes	The rezone proposal is prompted in part by the update to the neighborhood plan and the opening of the Othello light rail station. Additionally, the redevelopment of New Holly has significantly changed the character of the area.
If the area is located in or adjacent to a critical area, the effect of the rezone on the critical area shall be considered. (SMC 23.34.008.1).	Yes	No impacts to critical areas are expected to result from the rezone proposal.

Criteria for Height Limits of Proposed Zone (SMC 23.34.009),

The table below contains analysis of the rezone proposal for all 5 rezone areas to the criteria for setting height limits.

Criterion	Met?	Analysis – Othello-wide
Height limits for commercial zones shall be consistent with the type and scale of development intended for each zone classification. The demand for permitted goods and services and the potential for displacement of preferred uses shall be considered. (SMC 23.34.009.A)	Yes	The proposed 40, 65, and 85 foot height limits are consistent with the type and scale of development intended for each zone. This zoning is likely to accommodate 3 to 6 stories of residential above retail or other commercial uses that would support the goals of the Othello Neighborhood Plan.
Height limits shall reinforce the natural topography of the area and its surroundings, and the likelihood of view blockage shall be considered. (SMC 23.34.009.B)	N/A	The rezone area is located in a relatively flat area in the trough of Rainier Valley. Given this location, the proposed rezone would fit within the natural topography of the area. The proposed height limits respond primarily to the context of the urban grid, light rail station, and MLK Jr. Way S, a major arterial. Given the location in Rainier Valley, the proposal would not substantially increase the likelihood of view blockage.
The height limits established by current zoning in the area shall be given consideration. In general, permitted height limits shall be compatible with the predominant height and scale of existing development, particularly where existing development is a good measure of the area's overall development potential. Height limits for an area shall be compatible with actual and zoned heights in surrounding areas. (SMC 23.34.009.C)	Yes	Existing height limits in the rezone area are 30' (SF & LR2), 40' (LR3) and 65', which would be increased to 40', 65', and 85'. The rezone area is currently composed primarily of 1 and 2 story buildings; however, a 65-foot building is currently under construction. It is anticipated that the presence of the light rail station supports and enhances the development potential that would result from the proposed rezones.

Criterion	Met?	Analysis – Othello-wide
A gradual transition in height and scale and level of activity between zones shall be provided unless major physical buffers are present. (SMC 23.34.009.D.2.)	Yes	In general, this proposal supports a gradual transition by raising height primarily in the core of the neighborhood and along MLK Jr. Way S such that heights of 85' transition out to single -family zones, LR2, LR3, and lower height NC2 & NC 3 zones. The proposal would result in limited areas where more intense NC zones with a height of 65 or 85ft are located across the street from a single-family zone. The proposal would create a transition from NC3P-85 to SF5000 across S Willow St; however this transition affects a very minimal area that is located directly adjacent to MLK Jr. Way S and only one block from the station. The proposal would also create a transition from NC3P-85 to SF5000 across 43 rd Ave S; however this area is buffered by the presence of Othello Park.
Particular attention shall be given to height recommendations in business district plans or neighborhood plans adopted by the City Council subsequent to the adoption of the 1985 Land Use Map. (SMC 23.34.009.E.)	Yes	The rezone proposals are consistent with the Othello Neighborhood Plan.

Rezone of Single-family Zoned Areas (SMC 23.34.010.B.2)

There is one area where a rezone is proposed from an existing single-family zone to a Commercial zone. This rezone requires consideration to the rezone criteria for single-family zones (SMC 23.34.010).

The single-family zone proposed for rezone, though retaining some characteristics of single-family areas as defined in SMC 23.34.011 has already had the underlying land use designation changed to Neighborhood Commercial on the Comprehensive Plan Future Land Use Map. This creates an inconsistency between the existing single-family zoning and the Comprehensive Plan Future Land Use Map designation.

To allow for consistency between zoning and the Comprehensive Plan Future Land Use Map, DPD has proposed an amendment to single-family rezone criteria (SMC 23.34.010.B.2) as part of a rezone proposal for the Roosevelt Hub Urban Village now before the City Council. The amendment would enable analysis of proposed rezones of single-family zones to more intensive zones only in very specific and limited circumstances. Such rezoning would be allowed only when an adopted neighborhood plan has designated the area as appropriate for a new designation. In addition, rezone of existing single family areas can only occur if the City Council had previously approved a change to a more intensive use on the Comprehensive Plan's Future Land Use Map.

The table below contains analysis of the rezone proposal using the criterion as proposed in the legislation pending before the City Council.

Criterion	Met?	Analysis – Othello-wide
d. Within a designated Urban Center or Urban Village and the underlying Future Land Use Map designation is a designation other than Single-Family.	Yes	The area with existing SF5000 zoning that is proposed for rezone is within the Othello Residential Urban Village and is designated as Commercial / Mixed-use on the Comprehensive Plan's Future Land Use Map.

Criteria for Designation of Commercial Zones (SMC 23.34.072)

The table below contains analysis of the rezone proposal for the rezone of sites to neighborhood commercial.

Criterion	Met?	Analysis – Othello-wide
The encroachment of commercial development into residential areas shall be discouraged. (SMC 23.34.072.A)	Partial	Overall, the rezone proposal preserves residential areas throughout the Othello Residential Urban Village by concentrating new zoning potential within the existing commercial corridor. The proposal does modify some residentially zoned land to neighborhood commercial and commercial zones; however, these changes are minimal and represent small expansions of the existing commercial area rather than isolated or wholly new encroachment. The rezone is predominately focused around the light rail station where the neighborhood plan supports creating a pedestrian focused business district and development will tend to be primarily residential above ground floor commercial. Area E is located outside business district but is located adjacent to the existing commercial corridor and represents a minor expansion of existing zoning.
Areas meeting the locational criteria for a single-family designation may be designated as certain neighborhood commercial zones as provided in Section 23.34.010. (SMC 23.34.072.B)	Yes	The proposal would rezone one area of single- family zoning (area E) to a Neighborhood Commercial 2 zone. This area is designated Commercial / Mixed Use on the Comprehensive Plan Future Land Use Map.
Preferred configuration of commercial zones shall not conflict with the preferred configuration and edge protection of residential zones as established in Sections 23.34.010 and 23.34.011 of the Seattle Municipal Code. (SMC 23.34.072.C)	Yes	The proposed configuration of commercial zones does not conflict with this criterion.
Compact, concentrated commercial areas, or nodes, shall be preferred to diffuse, sprawling commercial areas. (SMC 23.34.072.D)	Yes	The proposal concentrates the commercial area primarily around the light rail station consistent with Policy 8.C of the Othello Neighborhood Plan Update: "Encourage dense urban development in the Town Center in a manner that creates a vibrant and active commercial district supportive of the community, along with residential infill development to increase the housing supply.",

Criterion	Met?	Analysis – Othello-wide
The preservation and improvement of existing commercial areas shall be preferred to the creation of new business districts. (SMC 23.34.072.E)	Yes	The proposal does not create a new business district – rather, it would supplement and strengthen an existing one, with the intent of increasing its customer base and allowing for enhanced access to its urban amenities.

Zone-specific Rezone Criteria

This section of the rezone analysis reviews each of the 5 proposed individual rezones according to the specific functional and locational criteria for the proposed zoning designation. According to the rezone criteria in 23.34.008, the characteristics of the area proposed for rezone should match the locational criteria of the proposed zone better than any other zoning designation.

A

Rezone Proposal: Rezone the existing Lowrise 3 (LR3) zone to Neighborhood Commercial 3 with a height of 65 feet (NC3-65) for properties located at MLK Jr. Way S between S Willow St and S Myrtle St – see map on page 6.

Existing Conditions: This area is a mix of primarily 3 and 4 story multifamily structures as well as one single family home.

The proposed rezone must meet the general functional and locational criteria of the Neighborhood Commercial 3 zone.

Criterion for NC3 zone	Met?	Analysis – Area A
A. Function. To support or encourage a pedestrian-oriented shopping district that serves the surrounding neighborhood and a larger community, citywide, or regional clientele; that provides comparison shopping for a wide range of retail goods and services; that incorporates offices, business support services, and residences that are compatible with the retail character of the area; and where the following characteristics can be achieved: (SMC 23.34.076.A)	Yes	This function would support the goals of the Othello Neighborhood Plan Update to "support a uniquely identifiable Town Center that is a destination for international food and cultural experiences" (policy 8.A) and "encourage dense urban development in the Town Center in a manner that creates a vibrant and active commercial district supportive of the community, along with residential infill development to increase the housing supply" (policy 8.C) Expansion of the existing NC zoned area as proposed would help support a commercial district with a range of retail and other commercial uses while also supporting goals for more residential units, particularly if the parcel was developed in conjunction with the parcels to the east adjacent to MLK Jr. Way S.
1. [can achieve] A variety of sizes and types of retail and other commercial businesses at street level; (SMC 23.34.078.A.1)	Yes	Area A could achieve a variety of size or types of retail and other commercial businesses at street-level either by itself or as part of a larger development with adjacent parcel to the east due to size and proximity to the light rail station and Othello Town Center.
2. [can achieve] Continuous storefronts or residences built to the front lot line; (SMC 23.34.078.A.2)	Yes	Area A could achieve continuous storefronts or residences built to the front lot line due to the desirability of the location as demonstrated by recent development in the area with development to the front lot line, particularly if the parcel was developed in conjunction with the parcels to the east adjacent to MLK Jr. Way S.

Criterion for NC3 zone	Met?	Analysis – Area A
3. [can achieve] Intense pedestrian activity; (SMC 23.34.078.A.3)	Yes	Area A could achieve intense pedestrian activity due to proximity to the light rail station and Othello Town Center.
4. [can achieve] Shoppers can drive to the area, but walk around from store to store; (SMC 23.34.078.A.4)	Yes	The Othello neighborhood core contains a sufficient amount of shopping destinations to achieve this goal.
5. Transit is an important means of access. (SMC 23.34.078.A.5)	Yes	Area A is located near the Othello light rail station as well as numerous bus routes.
Locational Criteria. A Neighborhood Comr generally characterized by the following co		e designation is most appropriate on land that is IC 23.34.078.B)
1. 1. The primary business district is in an urban center or hub urban village; (SMC 23.34.078.B.1)	Yes	Area A is adjacent to the primary business district (along MLK Jr. Way S) of the Othello Residential Urban Village.
2. Served by principal arterial; (SMC 23.34.076.B.2)	Yes	Area A is located between S Willow St and S Myrtle St which connect with MLK Jr. Way S, a principal arterial.
3. Separated from low-density residential areas by physical edges, less-intense commercial areas or more-intense residential areas;(SMC 23.34.076.B.3)	Yes	Area A is a separated from low-density residential by Lowrise zones to the north and west and other Neighborhood Commercial zones to the south and east.
4. Excellent transit service. (SMC 23.34.076.B.4)	Yes	Area A is located near the Othello light rail station as well as numerous bus routes.
Conclusion: The Area A rezone proposal meets all the NC3 functional and locational criteria. The		

Conclusion: The Area A rezone proposal meets all the NC3 functional and locational criteria. The proposed NC3 zone is therefore appropriate for Area A.

Rezone Proposal: Rezone the existing Neighborhood Commercial 3 with a height of 65 feet (NC3-65) to Neighborhood Commercial 3 with a height of 85 feet and a pedestrian designation (NC3P-85) for properties located along MLK Jr. Way S between S Willow St and S Myrtle – see map on page 6.

Existing Conditions: Three commercial buildings with primarily retail uses and large parking lots.

Area B will retain its existing NC3 zoning; however, DPD is proposing to increase the height limit from 65 ft to 85 ft and add a pedestrian designation. The proposed rezone must meet the

B

criteria for height limits of the proposed zone (SMC 23.34.009) and the functional and locational criteria for pedestrian designation (SMC 23.34.086). The criteria for height limits are discussed on p. 16 and the criteria for pedestrian designation are discussed below.

Criterion for P designation	Met?	Analysis – Area B
<i>A. Function.</i> To preserve or encourage an intensely retail and pedestrian-oriented shopping district where non-auto modes of transportation to and within the district are strongly favored, and the following characteristics can be achieved: (<i>SMC 23.34.076.A</i>)	Yes	One of the goals of the Othello Neighborhood Plan Update is to create a neighborhood that is "safe for people and businesses – from crime as well as from accidents while walking, biking and driving." While MLK Jr. Way S is currently a car-oriented arterial, there is already a strong commercial presence in the Town Center and the neighborhood plan seeks to shift it toward a more pedestrian oriented shopping district. Expanding the P designation would support this goal.
<i>1. [can achieve]</i> A variety of retail/service activities along the street front; (<i>SMC 23.34.078.A.1</i>)	Yes	The shopping district and Area B could achieve a variety of size or types of retail/service activities along the street due to substantial frontage along MLK Jr. Way S, the presence of the light rail station as a major transportation hub, and the location and scale of Othello Town Center.
2. [can achieve] Large number of shops and services per block; (SMC 23.34.078.A.2)	Yes	The shopping district and Area B could achieve a large number of shops and services per block due to substantial frontage along MLK Jr. Way S, the presence of the light rail station as a major transportation hub, and the location and scale of Othello Town Center.
<i>3. [can achieve]</i> Commercial frontage uninterrupted by housing or auto-oriented uses; (SMC 23.34.078.A.3)	Yes	The potential for achieving this circumstance along MLK Jr. Way S in the future is high due to proximity to the light rail station, redevelopment of New Holly, and potential for residential development in the area.
<i>4. [can achieve]</i> Pedestrian interest and activity; (<i>SMC 23.34.078.A.4</i>)	Yes	The shopping district and Area B could achieve pedestrian interest and activity due to the presence of the light rail station as a major transportation hub and the location and scale of Othello Town Center.

Criterion for P designation	Met?	Analysis – Area B
<i>5. [can achieve]</i> Minimal pedestrian-auto conflicts. (<i>SMC 23.34.078.A.5</i>)	Partial	MLK Jr. Way S is a major arterial road; however, pedestrian-auto conflicts will be substantially reduced in the future due to proximity to the light rail station, redevelopment of New Holly, and potential for residential development in the area.
<i>Locational Criteria.</i> Pedestrian-designated characterized by the following conditions: (
<i>1.</i> Pedestrian district surrounded by residential areas and/or major activity centers; or a commercial node in an urban center or urban village; (SMC 23.34.078.B.1)	Yes	Area B is adjacent to the primary business district (along MLK Jr. Way S) of the Othello Residential Urban Village which is surrounded by residential areas. As discussed above, MLK Jr. Way S represents a barrier to the pedestrian orientation of the area in the short term; however, it is anticipated that the area will shift toward a more pedestrian-oriented nature due to the opening of the light rail and increasing pedestrian-oriented development.
2. NC zoned areas on both sides of an arterial, or NC zoned block faces across an arterial from a park, major institution, or other activity center; (<i>SMC</i> 23.34.076.B.2)	Yes	Area B would be part of a continuous block of NC zoning on both sides of MLK Jr. Way S, a principal arterial.
<i>3</i> . Excellent access for pedestrians, transit, and bicyclists. (<i>SMC</i> 23.34.076.B.3)	Yes	Area B has excellent access for pedestrians, transit, and bicycles due to its proximity to light rail station, numerous bus lines, New Holly, the Chief Sealth Trail, and multiple bike lanes.

Conclusion: The area B rezone proposal meets most of the functional and locational criteria of a pedestrian designation. The proposed pedestrian designation is therefore appropriate for Area B.

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Rezone Proposal: Increase the height limits of the existing Neighborhood Commercial 3 with a pedestrian designation (NC3P) from 65 feet to 85 feet for properties located on the east and west sides of MLK Jr. Way S – see map on page 6.

Existing Conditions: Mix of commercial, multifamily, and institutional buildings as well as vacant properties; Includes site of the Othello light rail station; and Properties located on both sides of MLK Jr. Way S.

D

Since Area C will retain its existing NC3P zoning and this is a proposed increase in the height limit only, please refer to Criteria for height limits of proposed zone (SMC 23.34.009) on page 18.

Rezone Proposal: Rezone the existing Lowrise 2 (LR2) to Neighborhood Commercial 3 with a height of 85 feet and a pedestrian designation (NC3P-85) for properties located between MLK Jr. Way S, 43rd Ave S, and S Webster St - see the map on page 6.

Existing Conditions: Existing mix of single family and multi-family structures.

The proposed rezone must meet the functional and locational criteria for NC3 zones (SMC 23.34.078) and pedestrian designation (SMC 23.34.086). The criteria for height limits are discussed on p. 16 and the criteria for pedestrian designation are discussed below.

Criterion for NC3 zone	Met?	Analysis – Area D
A. Function. To support or encourage a pedestrian-oriented shopping district that serves the surrounding neighborhood and a larger community, citywide, or regional clientele; that provides comparison shopping for a wide range of retail goods and services; that incorporates offices, business support services, and residences that are compatible with the retail character of the area; and where the following characteristics can be achieved: (SMC 23.34.076.A)	Yes	This function would support the goals of the Othello Neighborhood Plan Update to "support a uniquely identifiable Town Center that is a destination for international food and cultural experiences" (policy 8.A) and "encourage dense urban development in the Town Center in a manner that creates a vibrant and active commercial district supportive of the community, along with residential infill development to increase the housing supply" (policy 8.C) Expansion of the existing NC zoned area as proposed would help support expanding the range of retail and other commercial uses while also supporting goals for more residential units.
1. [can achieve] A variety of sizes and types of retail and other commercial businesses at street level; (SMC 23.34.078.A.1)	Yes	The shopping district and Area D could achieve a variety of size or types of retail and other commercial businesses at street level due to size of the parcels and proximity to the light rail station and Othello Town Center.
2. [can achieve] Continuous storefronts or residences built to the front lot line; (SMC 23.34.078.A.2)	Yes	The shopping district and Area D could achieve continuous storefronts or residences built to the front lot line due to the desirability of the location as demonstrated by recent development in the area that achieved development to the front lot line.

Criterion for NC3 zone	Met?	Analysis – Area D		
3. [can achieve] Intense pedestrian activity; (SMC 23.34.078.A.3)	Yes	The shopping district and Area D could achieve intense pedestrian activity due to proximity to the light rail station and Othello Town Center. Area D is particularly well suited due to its location next to Othello Park, a neighborhood destination.		
4. [can achieve] Shoppers can drive to the area, but walk around from store to store; (SMC 23.34.078.A.4)	Yes	The shopping district contains a sufficient amount of shopping destinations and an existing and future layout to achieve this goal.		
5. Transit is an important means of access. (SMC 23.34.078.A.5)	Yes	The shopping district and Area D is located near the Othello light rail station as well as numerous bus routes.		
Locational Criteria. A Neighborhood Commercial 3 zone designation is most appropriate on land that is generally characterized by the following conditions: (SMC 23.34.078.B)				
1. 1. The primary business district is in an urban center or hub urban village; (SMC 23.34.078.B.1)				
2. Served by principal arterial; (SMC 23.34.076.B.2)	Yes	Area D is located on MLK Jr. Way S, a principal arterial.		
3. Separated from low-density residential areas by physical edges, less-intense commercial areas or more-intense residential areas;(SMC 23.34.076.B.3)	Yes	Area D is a separated from low-density residential by Lowrise zones to the south, and other Neighborhood Commercial zones to the north and west, and Othello Park to the east.		
4. Excellent transit service. (SMC 23.34.076.B.4)	Yes	Area D is located near the Othello light rail station as well as numerous bus routes.		
Conclusion : The area D rezone proposal meets all the functional and locational criteria of the NC3. The				

proposed NC3 zone is therefore appropriate for Area D.

Criterion for P designation	Met?	Analysis – Area D
<i>A. Function.</i> To preserve or encourage an intensely retail and pedestrian-oriented shopping district where non-auto modes of transportation to and within the district are strongly favored, and the following characteristics can be achieved: (<i>SMC</i> 23.34.076.A)	Yes	One of the goals of the Othello Neighborhood Plan Update is to create a neighborhood that is "safe for people and businesses – from crime as well as from accidents while walking, biking and driving." While MLK Jr. Way S is currently a car-oriented arterial, there is already a strong commercial presence in the Town Center and the neighborhood plan seeks to shift it toward a more pedestrian oriented shopping district. Expanding the P designation would support this goal.
<i>1. [can achieve]</i> A variety of retail/service activities along the street front; (<i>SMC 23.34.078.A.1</i>)	Yes	The shopping district and Area D could achieve a variety of size or types of retail/service activities along the street due to substantial frontage along MLK Jr. Way S, the presence of the light rail station as a major transportation hub, and the location and scale of Othello Town Center.
2. [can achieve] Large number of shops and services per block; (SMC 23.34.078.A.2)	Yes	The shopping district and Area D could achieve a large number of shops and services per block due to substantial frontage along MLK Jr. Way S, the presence of the light rail station as a major transportation hub, and the location and scale of Othello Town Center.
<i>3. [can achieve]</i> Commercial frontage uninterrupted by housing or auto-oriented uses; (SMC 23.34.078.A.3)	Yes	The potential for achieving this circumstance along MLK Jr. Way S in the future is high due to proximity to the light rail station, redevelopment of New Holly, and potential for residential development in the area.
<i>4. [can achieve]</i> Pedestrian interest and activity; (<i>SMC 23.34.078.A.4</i>)	Yes	The shopping district and Area D could achieve pedestrian interest and activity due to the presence of the light rail station as a major transportation hub and the location and scale of Othello Town Center.
5. Minimal pedestrian-auto conflicts. (SMC 23.34.078.A.5)	Maybe	The potential for achieving this circumstance along MLK Jr. Way S in the future is high due to proximity to the light rail station, redevelopment of New Holly, and potential for residential development in the area.

Locational Criteria. Pedestrian-designated zones are most appropriate on land that is generally characterized by the following conditions: (*SMC 23.34.078.B*)

Met?	Analysis – Area D
Yes	Area D is adjacent to the primary business district (along MLK Jr. Way S) of the Othello Residential Urban Village which is surrounded by residential areas. As discussed above, the area will shift toward a more pedestrian- oriented character due to the opening of the light rail station and increasing development.
Yes	Area D would be part of a continuous block of NC zoning on both sides of MLK Jr. Way S, a principal arterial.
Yes	Area D has excellent access for pedestrians, transit, and bicycles due to its proximity to light rail station, numerous bus lines, New Holly, the Chief Sealth Trail, and the presence of designated bike lanes.
	Yes

Conclusion: The area D rezone proposal meets most of the functional and locational criteria of the NC3. The proposed NC3 zone is therefore appropriate for Area D.

Rezone Proposal: Rezone existing Single Family (SF5000) to Commercial 1 with a 40' height limit (C1-40) for properties located between MLK Jr Way S, 37th Avenue S, and S Juneau Street – see map on page 7.

Existing Conditions: This area is a mix of single-family homes and vacant lots; Adjacent to Filipino Community Center.

The proposed rezone must meet the general functional and locational criteria of the C1 zone.

Commercial Functional and Location Criteria (23.34.080)

Criterion for C1 zone	Met?	Analysis – Area E
A. Function. To provide for an auto- oriented, primarily retail/service commercial area that serves surrounding neighborhoods and the larger community, citywide, or regional clientele. (SMC 23.34.080.A)	Yes	This function is consistent with the existing and planned character of MLK Jr. Way S in this part of Rainier Valley. Existing development in this area is predominately auto-oriented and retail/service oriented.

Locational Criteria. Commercial 1 zone designation is most appropriate on land that is generally characterized by the following conditions:

Ε

Met?	Analysis – Area E
No	Area E is in an urban village but does not abut a state highway nor is it in use as a shopping mall.
Yes	Area E is adjacent to a continuous strip of existing commercial area with substantial retail activity.
Yes	Area E is located a half block off MLK Jr. Way S, a principal arterial.
Partial	The area does not have significant edges that would suggest an appropriate boundary for the existing C1 zoning. The proposed rezone would be separated from residential zones by an alleyway and street.
Yes	Area E currently consists of multiple tax parcels that are smaller than 20,000 sq ft; however, they are currently under single ownership and thus present a single lot of about 65,000 sq ft.
Yes	Area E is characterized by a lack of sidewalk infrastructure and limited bus access along MLK Jr. Way S. Despite being located adjacent to the light rail track, it is located approximately one mile away from any station.
	No Yes Yes Partial Yes

Conclusion: The rezone proposal meets the functional criteria of the C1 zone, and is consistent with the locational criteria. Area E generally meets the functional and locational criteria of the C1 zone and therefore is appropriate to be rezoned to the C1 zone.

VI. Application of Incentive Zoning

In December of 2008, the City Council adopted Ordinance 122882 creating a new Chapter 23.58A in the Land Use Code that establishes a specific mechanism for provision of affordable housing through incentive zoning provisions. Under the provisions of this chapter, the City can require that additional floor area beyond current zoning be allowed contingent on the provision of certain public benefits by the developer. The existing Othello Neighborhood Plan Update provides considerable support for making new height contingent on provision of affordable housing. Below are specific policies and strategies including in the 2010 Plan Update that are relevant:

- Goal 3: A neighborhood that supports the broad economic, cultural and family-size diversity of this neighborhood by keeping housing affordable with a balance of both single-family and multifamily housing for both renters and owners.
- Policy 3.A: Maintain and augment affordable housing to keep a range of housing prices and unit sizes and a balance of rental and owner-occupied housing.
- Policy 3.B: Encourage development of housing available in a range of prices and sizes, including affordable family-sized homes with amenities for families.
- Strategy 3.4: Apply Comprehensive Plan affordable housing targets to the Othello Urban Village and periodically evaluate progress. Set affordable housing objectives and use incentives, direct City funding, and surplus property programs to fill gaps.
- Strategy 3.7: Encourage affordable family-sized homes through incentives, direct City funding, and surplus property programs.
- Strategy 3.9: Achieve a balance of affordable rental and homeownership housing through incentives, direct funding, and surplus property programs.

Under the current zoning proposal, floor area increases are generally small in proportion to floor area currently allowed under zoning and base heights are generally sufficient to allow substantial development without utilizing incentive provisions. Based on these conditions, it is anticipated that making additional height contingent on provision of affordable housing will not have significant unanticipated economic impacts on development in the area. In addition, market rents for new construction in Southeast Seattle are generally comparable with rent limits (80% of AMI) that apply to any units produced in accordance with incentive zoning requirements for affordable housing. DPD recommends that all additional floor area capacity under the current rezone proposal be contingent on the provision of affordable housing.

VII. Recommendation

DPD recommends adoption of the proposed rezones. This proposal will help implement that goals and policies of the Othello Neighborhood Plan Update (adopted January 2010) and the City's Comprehensive Plan by directing growth to the Othello Town Center in a manner that will foster economic vitality, support transportation investments, and create a vibrant cultural gathering area while achieving appropriate transitions and preserving affordability.

Appendix A: Othello Town Center Urban Design Framework

The following is the full report of the Urban Design Framework developed by the Department of Planning and Development in 2011 for the Othello Town Center.