

Ordinance No. 119738

Council Bill No. 112830

The City of Seattle

Council Bill

AN ORDINANCE relating to land use and zoning, rezoning property by amending the Official Land Use Map, SMC Chapter 23.32, to implement the Transfer of Development Credit Provisions in the Denny Triangle in support of the Denny Triangle Neighborhood Plan.

10/19 BEU

11-1-99 FOLIO

CF No. _____

Date introduced: <u>AUG 02 1999</u>		
Date 1st Referred: <u>AUG 02 1999</u>	To: (committee)	Neighborhoods, Growth Planning and Civic Engagement Committee
Date Re - Referred: <u>AUG 02 1999</u>	To: (committee)	Business, Economic & Community Development Committee
Date Re - Referred:	To: (committee)	
Date of Final Passage: <u>11-1-99</u>	Full Council Vote: <u>8-0</u>	
Date Presented to Mayor: <u>11-2-99</u>	Date Approved:	
Date Returned to City Clerk: <u>11/10/99 2:10 pm</u>	Date Published: <u>11/10/99</u>	T.O. _____ P.T. <u>✓</u>
Date Vetoes by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

This file is complete and ready

Law Department

Law Dept. Review

The City of Seattle - Legislative Department

Council Bill _____ sponsored by: CONLIN
Councilmember

Committee Action:

10/19 BECA Do approve 4-0

11-1-99 Full Council: Passed 8-0

This file is complete and ready for presentation to Full Council. Committee: _____

(initial/date)

Law Department

Law Dept. Review

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City Clerk
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AN ORDINANCE relating to land use and zoning, rezoning property by amending the Official Land Use Map, SMC Chapter 23.32, to implement the Transfer of Development Credit Provisions in the Denny Triangle in support of the Denny Triangle Neighborhood Plan.

WHEREAS, the City Council finds that the rezoning established by this ordinance will protect and promote the health, safety and welfare of the general public; will maintain sufficient capacity for employment growth while creating additional opportunities for residential development; and will support the recommendations of the Denny Triangle Urban Center Village Plan.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Attached to this ordinance is one zoning map, identified as "Exhibit A-1" which is incorporated herein by reference. The Official Land Use Map, page 109 is amended to rezone the properties shown on the attached zoning map as "Rezone Area," from DMC 240' to DOC 2 300'.

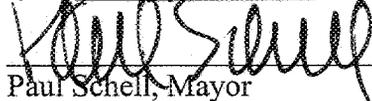
Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 1st day of November, 1999, and signed by me in open session in authentication of its passage this 1st day of November 1999.



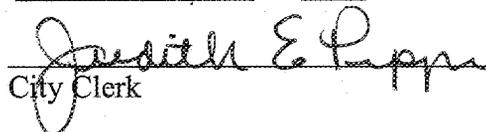
President of the City Council

Approved by me this 10th day of November, 1999.



Paul Schell, Mayor

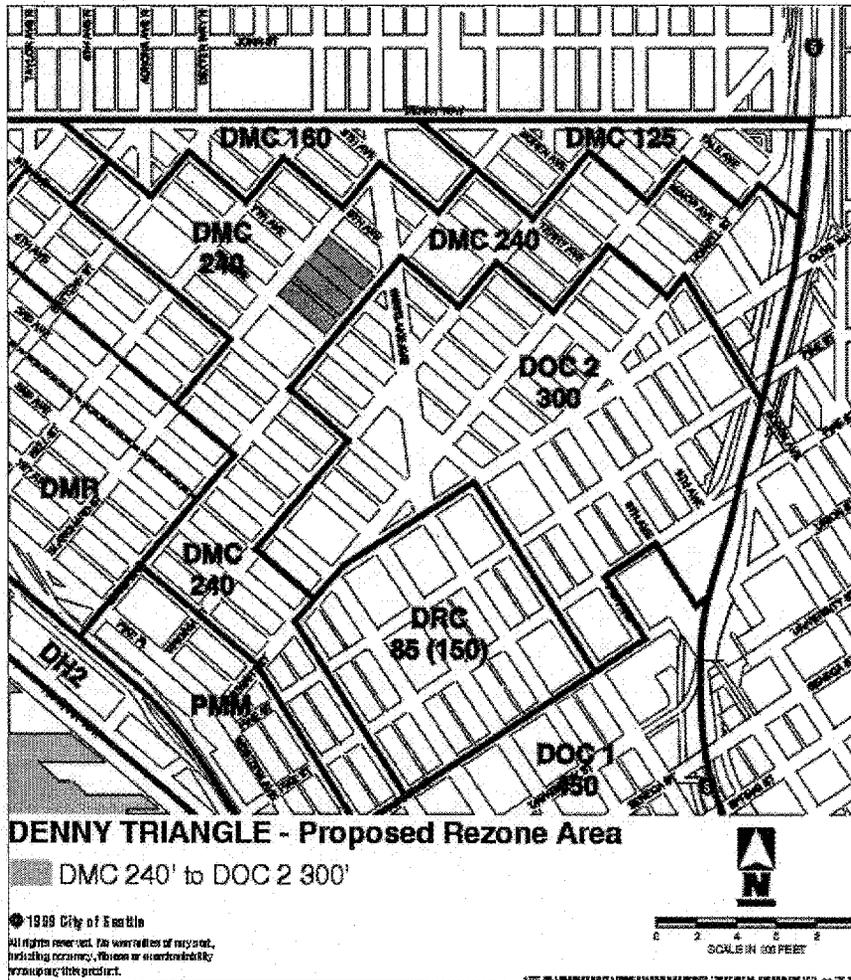
Filed by me this 10th day of November, 1999.



City Clerk

(SEAL)

“Exhibit A-1”
Page 109 of the Official Land Use Map
Denny Triangle Urban Center Village
Residential Incentive Program Rezone



**CITY OF SEATTLE
JULY 1999**

EXECUTIVE REPORT

**RECOMMENDED INCENTIVE PROGRAM TO ENCOURAGE HOUSING IN THE
DENNY TRIANGLE NEIGHBORHOOD**

The Executive is proposing actions to encourage more residential development in the Denny Triangle neighborhood in Seattle, a key goal of the Denny Triangle Neighborhood Plan. The components of this proposal are:

- I. Establishing a Transfer of Development Credits program that would transfer development credits from Rural King County to the Denny Triangle and fund amenities recommended in the Denny Triangle Neighborhood Plan;
- II. Changing development standards to facilitate mixed use development
- III. Rezoning an area along 6th and 7th Avenues between Lenora and Blanchard from Downtown Mixed Commercial (DMC) to Downtown Office Core 2 (DOC 2)

BACKGROUND

These recommendations seek to address multiple goals and result in multiple public benefits. The Growth Management Act's basic foundation is to limit growth in designated Rural and Resource Areas and encourage development in areas that are already or can easily be served with public infrastructure. The 1994 King County Countywide Planning Policies adopted an Urban Growth Area and 13 Urban Centers; these Urban Centers would be prioritized for investments that would make them more convenient and functional places to live. Seattle has five of those Urban centers (Downtown; University District; First Hill/Capitol Hill; Seattle Center; Northgate) which will see 45% of Seattle's expected growth over the twenty years covered by the 1994 Seattle Comprehensive Plan.

The Denny Triangle is one of several urban villages within the Downtown Urban Center; its neighborhood plan adopted by Council in 1999 listed promoting more housing opportunities as a key strategy. To make the neighborhood more inviting for residential development, the plan also recommends important amenities such as open space and pedestrian facilities. The residential target for the twenty years in the Denny Triangle is 3500 new households, and the Neighborhood Plan identified the northeast portion of the Triangle as the area where housing should be most encouraged. The neighborhood now has about 1000 housing units, and is characterized by surface parking lots and a lack of public amenities. The Neighborhood Plan recommended

revising height and other development standards to promote additional development. This proposal represents a first step in implementing the Neighborhood Plan. Other recommendations from the Denny Triangle Neighborhood Plan and Downtown Urban Center Plan will be reviewed by the City in 2000.

Another key interest of the Denny Triangle neighborhood is the future redevelopment of the Convention Center Place transit station, which will not be part of the Sound Transit light rail system. The neighborhood sees the opportunity for additional housing and open space on the site, along with commercial development. King County, as the owner of the station, will lead its redevelopment.

Rural Preservation: Since the mid 1980's King County has instituted actions to limit development in the rural area, including designating resource zones and down zoning vast areas. However, the pace of development in rural King County continues to exceed the targets established in the 1994 Countywide Planning Policies, resulting in more costly service provision and environmental damage, as people drive further between home and work and habitat is lost. The Countywide Planning Policies and the 1994 King County Comprehensive Plan, both adopted in accordance with the state Growth Management Act, call for new programs such as the transfer of development credits to preserve rural land.

The King County Council adopted Ordinance #13274 in October 1998 establishing a pilot program to transfer development credits from rural and resource property (sending areas) to urban areas (receiving areas), both in unincorporated King County and in cities. Because the success of this type of program is tied to having receiving areas where additional development is desired enough for developers to purchase development credits, the legislation also called for working with cities to establish receiving areas for rural development credits. This would expand the market for transferring credits, since unincorporated urban areas are getting smaller as a result of annexations and incorporations. Having receiving areas in cities also advances growth management goals by encouraging additional development in cities, and in this case, in a designated Urban Center.

This Executive Proposal takes advantage of the chance to advance several important goals at once:

- Advance Growth Management Act, Countywide, County and City policies
- Implement the Denny Triangle Neighborhood Plan
- Provide resources for amenities in the Denny Triangle
- Protect the Rural Area and limit sprawl
- Establish a partnership with King County around Convention Center Place Station redevelopment
- Preserve habitat near the Cedar River and Tolt Watersheds



I. TRANSFER OF DEVELOPMENT CREDITS PROGRAM

What is Transfer of Development Credits?

Transfer of Development Credits (TDC) is a program that reduces the development potential in the "sending area" and transfers that development opportunity to a "receiving area". The sending area property owner is paid to keep the land undeveloped, while the receiving area property buys the credit, allowing additional development beyond what zoning allows in the receiving area.

In this proposal the sending area is rural King County and the receiving area is the Denny Triangle neighborhood in Seattle.

How will the program be established?

The proposed legislation includes the Land Use Code amendments to establish the program in the Denny Triangle. Additional legislation will follow to approve an interlocal agreement between Seattle and King County that will commit the jurisdictions to:

1. Certify, purchase and transfer development credits
2. Establish the Denny Triangle as a receiving site and adopt development standards for the program
3. Agree on goals for the redevelopment of Convention Center Station for mixed use and open space
4. Monitor and evaluate the program
5. Establish the method for King County investment in amenities in the Denny Triangle
6. Prioritize sending sites for transfer to Seattle that are adjacent to the Cedar River or Tolt Watersheds

How is the value of the development credits determined?

The conversion ratio - how a rural credit is translated into extra development in the receiving area - is based on the value of adding residential units on the receiving site. The average value of a rural credit is estimated at \$ 20,000 per residential unit (an average of 5 acres of land per dwelling). For every rural credit purchased, an additional 2,000 SF of residential space would be allowed above the height limit of the zone on the receiving site. There would be different conversion ratios for different receiving areas. For example, King County is working with other cities to establish receiving areas. The amount of extra development allowed in the receiving area by purchasing a credit would likely be different in the Denny Triangle and other cities. Under this proposal, the City of Seattle will annually review the conversion ratio to ensure that it is a fair amount.

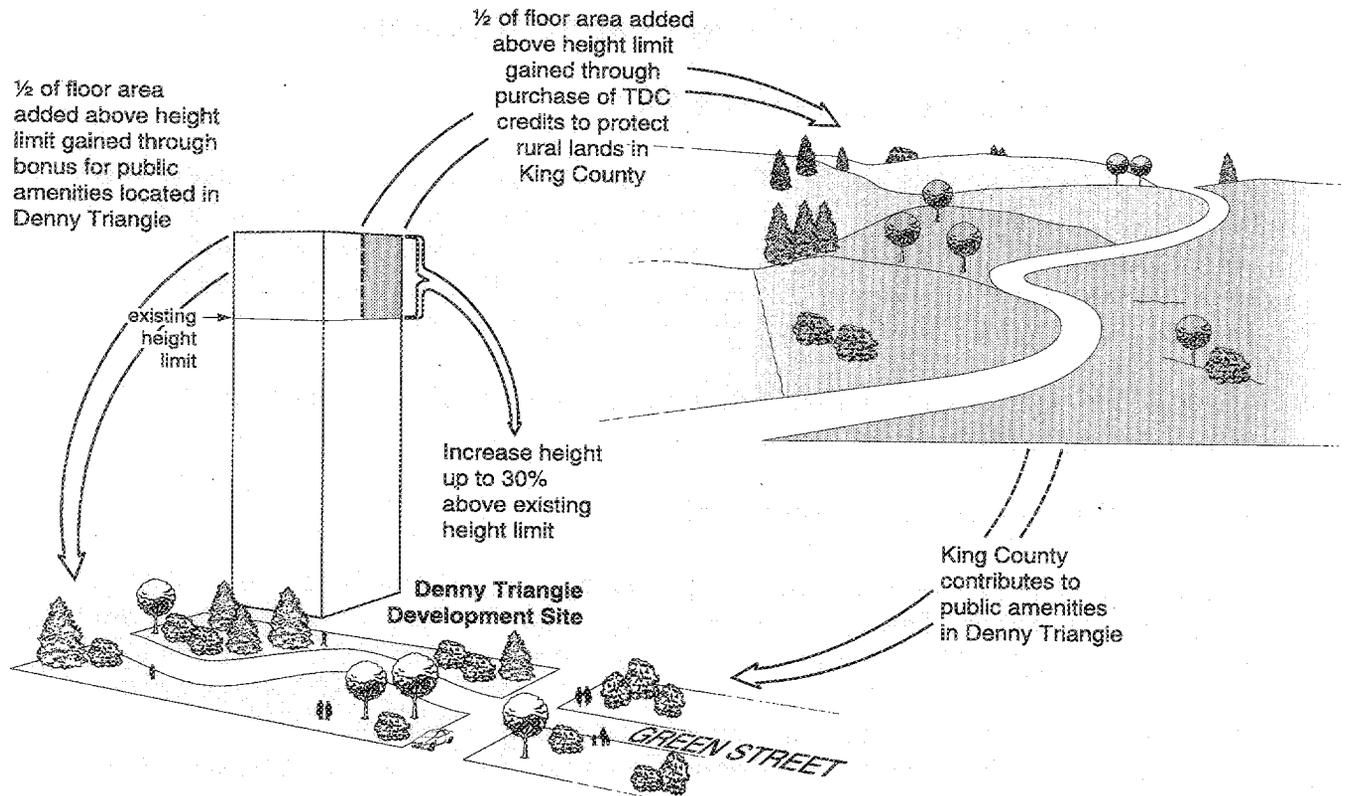


Illustration of Transfer of Development Credits

Have similar programs worked elsewhere?

Transfer of Development Credits programs that have rural sending areas in one jurisdiction and receiving areas in a city have been in operation in Montgomery County, Maryland and in Boulder County, Colorado. Island County and Thurston County in Washington also have Transfer of Development Rights programs.

How would the Transfer of Development Credits program work in the rural King County sending area?

Before a property owner can sell development credits, King County must certify the property according to criteria established in Ordinance #13274. Property designated in the King County Comprehensive Plan as Agricultural Production District or Rural Forest District, or Rural areas with documented endangered species habitat, open space/regional trail proximity, or near a wildlife corridor will be prioritized as sending sites. If a property owner had, for example, 20 acres that is zoned 1 unit per 5 acres, s/he could sell up to 3 development credits, assuming there is already a residence on one of the 5 acre parcels. A conservation easement would be placed on the property, ensuring that it could never be developed.

The development credit transaction can take place two ways:

1. Between individuals (assuming the rural property has been certified by King County)
2. The King County TDC Bank can purchase the rural development credits and sell them to the receiving area property owner. The King County Council will soon consider an ordinance establishing this bank, which has been initially funded with \$1.5M from the current budget.

How would the Transfer of Development Credits Program work in the Denny Triangle?

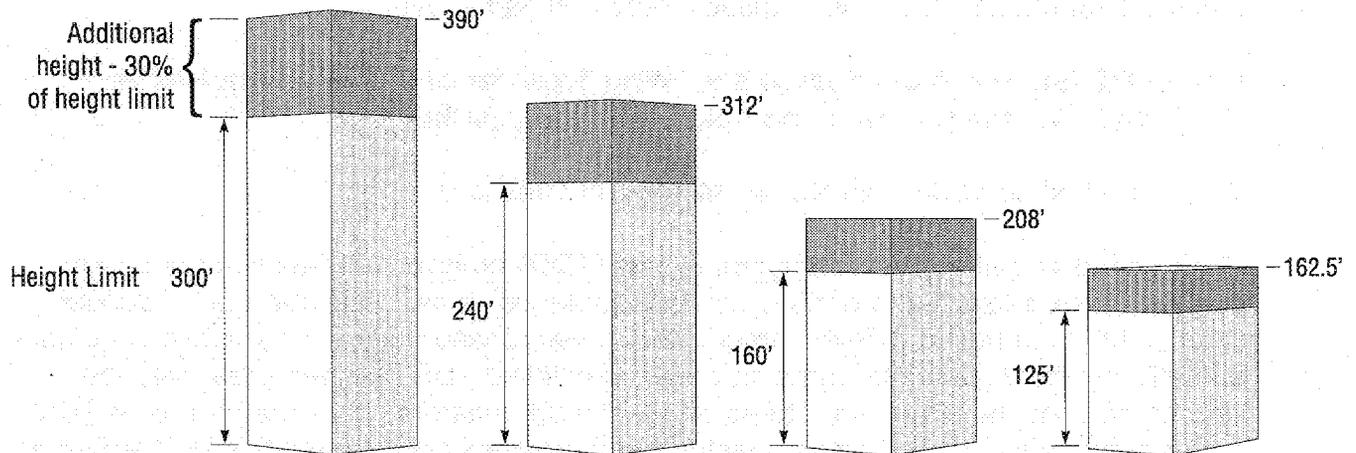


Illustration of Additional Height Allowances per Height Limit in the Denny Triangle.

- Through the proposed legislation, the Denny Triangle would be designated in the Seattle Land Use Code as a receiving area
- A developer in the Denny Triangle may increase the height limit of a project by purchasing development credits. The building floor area could extend up to 30% above the zoned height limit through the purchase of credits and amenities funding. (Current height limits in the receiving area are 125', 160', 240' and 300')
- A minimum of four credits must be purchased to participate in the program; half the credits would fund the purchase of rural development rights and half would fund amenities in the neighborhood such as Green Street improvements or open space. (See attachment)
- For every credit, 2,000 square feet of residential space may be added above the existing height limit. The minimum amount of residential space provided under the TDC is 8000 square feet.
- The additional residential floor area and height would be allowed within a residential or mixed-use structure or in a mixed development of residential and commercial structures on one site.
- For mixed-use projects, the floor area permitted above the height limit through the TDC may be for non-residential uses, provided that an equivalent amount residential use is provided on the site. Projects would not be permitted to exceed current density limits for non-residential uses.
- Landmark properties could not be demolished to participate in this program.

How would the TDC benefit the public, and specifically residents of the Denny Triangle?

Present and future generations will benefit from preserving the rural area from extensive development and sprawl. To provide a meaningful connection to Seattle residents, property near the two Seattle watersheds will be prioritized for having its development potential transferred to Seattle, further protecting our water supply. King County will realize savings by having fewer rural housing units to serve, and has agreed to fund amenities in the receiving area in order to help attract housing to urban centers and make the neighborhood more livable. An initial investment of \$500,000 is in the current King County budget for this purpose. This would augment the amenities funding generated by the TDC transaction as outlined above.

Is the TDC different from Seattle's existing Transfer of Development Rights Program? Will the programs compete with one another?

Yes to the first question, and No on the second question.

The existing Transfer of Development Rights (TDR) program that applies throughout the Downtown allows extra density for non-residential uses, while this TDC proposal focuses on extra housing development through increased height. The public benefits are different for the two programs as well--the existing TDR program preserves low income housing, landmark structures and landmark theaters, while the proposed TDC program preserves rural King County land and provides public amenities for the Denny Triangle receiving area.

A project in the Denny Triangle could participate in both programs, provided all the requirements for both programs are met. Residential projects in the Triangle are also eligible to participate in Seattle's new Multifamily Tax Exemption Program, which provides a ten year exemption on property taxes on improvements. Projects receiving the exemption must provide at least 25% of their units as affordable to households with incomes of 80% of the median income or below.

Will anyone use this program?

King County reports substantial interest among rural property owners in the program, and estimates that there are approximately 300 square miles of rural lands potentially eligible for participation in the program. Since the start of the King County program earlier this year, 22 property owners have submitted requests for certification as sending sites which total over 1000 acres. King County is working actively with private property owners and City of Issaquah officials to transfer density from approximately 500 acres of rural forestland.

King County reports substantial interest among rural property owners in the program. To assess the economic and market feasibility of the program in the Denny Triangle, the City Department of Construction and Land Use and Strategic Planning Office hired



a development consultant, Maria Barrientos. In interviews with downtown developers, most reacted favorably to the program. In addition to findings on the market feasibility, the consultant report presents recommended changes to development standards that would reduce regulatory barriers for mixed use projects. It appears that the success of the TDC program in the Denny Triangle will depend on providing sufficient flexibility to enable mixed use projects to take advantage of the height incentive. This proposal incorporates the consultant's recommendations.

The number of residential projects that would be interested in additional height is expected to be limited. Projects more likely to be interested in the incentive include:

- Commercial buildings willing to accommodate housing on site if the commercial structure could extend above the existing height limit
- A residential tower with a small floor size may extend above the height limit to create enough room on the site to accommodate a separate commercial structure with a larger floor plate (an example is the Arbor Place development in the Denny Regrade)
- To a lesser extent because of the difficulties encountered with this type of development, projects combining commercial use and housing in the same structure, with the housing most likely located on the upper floors (Millennium Tower project is an example).

A summary of the consultant findings is attached, and copies of the full report are available from the Strategic Planning Office.

How does this proposal to allow height incentives work with the Citizens Alternative Plan (CAP)?

CAP, which was approved by Seattle voters in 1989, reduced the height limits in Downtown Office Core 1 and 2 zones (DOC1 and DOC2), reduced the density allowances for office development and established an annual limit of overall office development in downtown. The purpose was to control the pace of office development through a metering system. CAP did not address the Downtown Mixed Commercial (DMC) zone. This TDC proposal affects both DOC2 and DMC zones in the Denny Triangle area only. It does not change density or the pace of office development. The proposal will allow increasing the height limit in DOC2 above the 300' height limit set by CAP for projects that develop housing using the rural and amenity credits.

Does this proposal encourage high priced housing?

As noted above, Denny Triangle projects that participate in the TDC program can also take advantage of incentives offered by the Transfer of Development Rights program and the Multifamily Tax Exemption Program, which promote low/moderate income housing. The Denny Triangle Neighborhood Plan, recognizing the substantial amount of subsidized housing that is currently in the neighborhood, calls for more mixed income housing opportunities.

The major public benefits of this proposed program focus on rural land preservation and providing public amenities in an Urban Center neighborhood that will increase its desirability for housing. Affordable housing requirements would make it difficult for projects to participate in this program, decreasing the public benefits provided. The consultant report did indicate that even for high rise residential projects, units in lower floors often rent at rents affordable to households with incomes at 80% of median income (80% of median income for a 2 person household = \$38,250).

Will the Denny Triangle's twenty year growth target be increased because of the proposed Transfer of Development Credits program?

No. It remains 3500 new households between 1994-2014. The new households may be distributed over fewer projects if a number of developments take part in the program and are therefore allowed extra height. This would free up more land for other purposes.



II. PROPOSED AMENDMENTS TO DEVELOPMENT STANDARDS

The proposed package of amendments to development standards in the Downtown Land Use Code is one of three components of the proposal to establish an incentive program to encourage housing development in the Denny Triangle. Based on interviews with downtown commercial and residential developers, it appears that the success of the TDC program will depend on providing sufficient flexibility to enable residential and mixed use projects to take advantage of the height incentive. The number of residential projects that would be interested in additional height is expected to be limited. Projects more likely to be interested in the incentive include:

- commercial buildings willing to accommodate housing on site if the commercial structure could extend above the height limit,
- a residential tower with a small floor size may extend above the height limit to create enough room on the site to accommodate a separate commercial structure with a larger floor plate (Arbor Place is cited as an example), and,
- to a lesser extent-- because of the difficulties with this type of development, projects combining commercial use and housing in the same structure, with the housing most likely located on the top floors (the Millennium Tower project is an example).

Mixed use development is desirable because it promotes better utilization of scarce downtown land resources and helps achieve goals for an active, 24 hour downtown environment by combining uses on the same site that attract people to an area at different times of the day. A major goal of the Denny Triangle Neighborhood Plan is to establish a unique, vital mixed use environment:

Land Use LU1. A mixed-use neighborhood that combines commercial office space, retail sales and services, social and public services, and a residential population.

To increase potential use of the TDC program and to promote mixed use development in the Denny Triangle, the following revisions to the Downtown Land Use Code are recommended to address current development standards that may constrain the type of mixed use development most likely to engage in the TDC program.

1. Upper Level Development Standards

Background. Current upper level development standards address access to light and air and the shadow and wind impacts of large-scale development. While commercial projects are subject to a floor area ratio (FAR) limit on density,

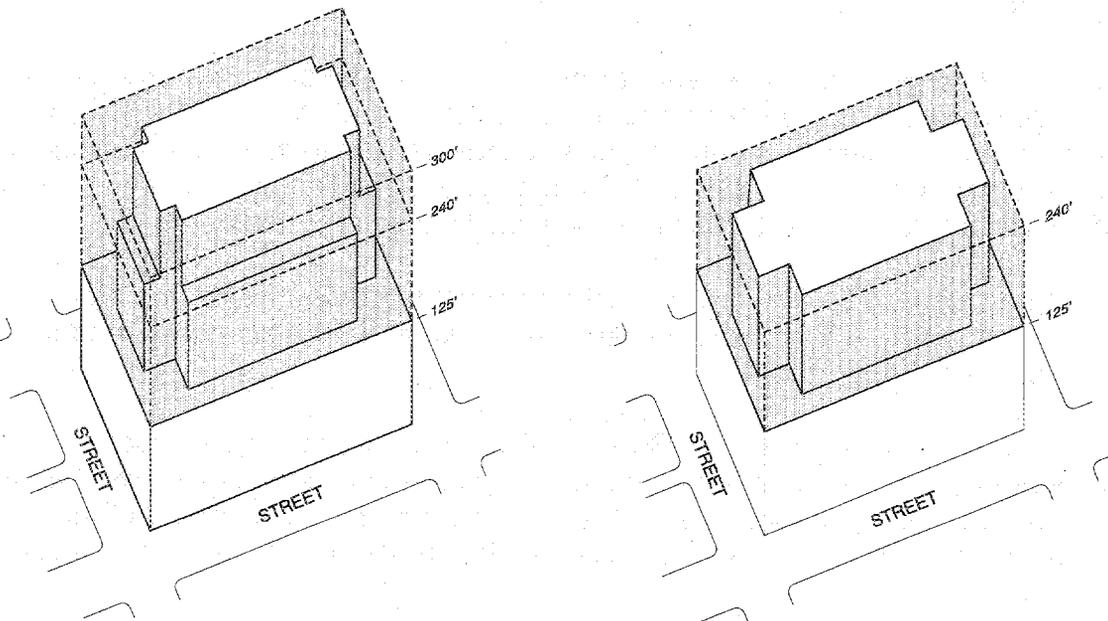
there is no density limit for residential use. Therefore, these standards, combined with the height limit, are the only controls on the bulk of residential projects.

The upper level development standards were developed to provide flexibility in addressing the massing of highrise structures. They are an alternative to requiring continuous setbacks at specified elevations of a structure--an approach that was rejected because of concerns about producing uniform, "jello-mold" development and making it impractical to develop "shallow" sites.

As an alternative, an area along the street frontages of a site is defined at two elevations above the ground plane; one at a height of 125 feet and the other at a height of 240 feet. The extent to which a structure can encroach into these areas is limited by a specified percentage of coverage allowed. The percentage varies by the number of street frontages and site size to avoid penalizing smaller sites (see Code provision in attachment A). There has been some confusion about the coverage areas because it is often assumed that the structure is prohibited from extending into these areas, or that the coverage limit applies to the whole site, when in fact a significant portion of the area can be covered up to the street edge.

Lot coverage limit area shaded:
 Extension of structures into this area is allowed, but limited.
 There are no limits on structures in unshaded areas.

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 Extension of structures into this area is allowed, but limited.
 There are no limits on structures in unshaded areas.



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Figure 1: Lot Coverage Limit Area

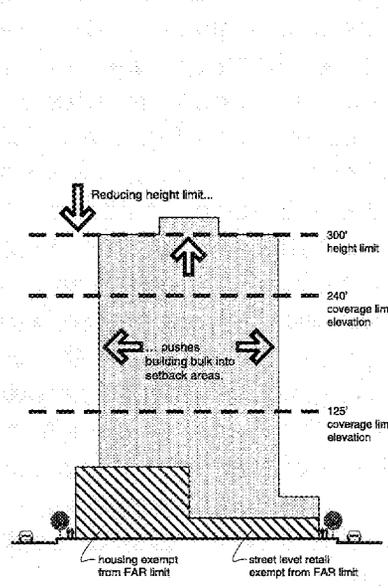
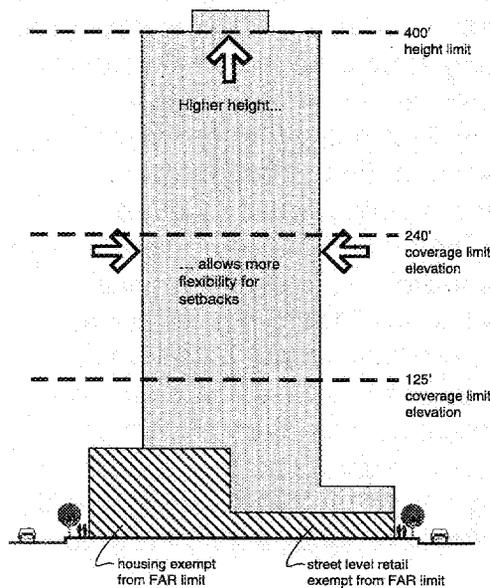


On all lots, structures are permitted 100 percent coverage from ground level up to a height of 125 feet. Structures, or portions of the same structure, with floor sizes of 15,000 square feet or less above the 125 foot elevation are exempt from any limits on coverage above 125 feet. For a number of reasons, these standards may pose a problem for mixed use development. Since housing is exempt from FAR limits, mixed use projects can in reality achieve floor area densities that exceed the FAR limit established for commercial uses by a significant amount. For example, the total floor area of the Millennium Tower project under construction in the DOC 2 zone will exceed the maximum FAR limit of 10 because the 40 units of housing provided on the upper floors are exempt from the FAR limit. The combined floor area of all uses would actually be about 12.5 FAR.

The upper level development standards may be flexible enough to accommodate a commercial building built to the maximum FAR limit, or a residential building that would not be subject to a density limit. However, the standards may constrain how both uses are accommodated on the same site, especially if they occupy more than one structure. The standards generally promote shifting the massing of the upper levels of a structure to the interior of a site, especially at the corners. This was intended to maximize access to light and air along the street. However, if two structures are provided on a site, pushing the upper floors of structures away from the street edge tends to crowd them together in the middle of the site, when it may be more desirable to provide more space between buildings and maintain greater openness in the middle of the site.

Pre-CAP DOC-2 w/400' height limit

Existing DOC-2 w/300' height limit, 10 FAR



Floor area exemptions increase amount of floor area to be accommodated on-site, exceeding 10 FAR limit.

Floor area exemptions increase amount of floor area to be accommodated on-site, exceeding 10 FAR limit.

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Figure 2: Height and setback relationship

Another factor is the reduction in permitted height following the CAP initiative. The current standards were developed under the assumption that there was no height limit in DOC 1 and the permitted height limit in most of DOC 2 was 400 feet. The development standards require additional limits on coverage above 240 feet, assuming that towers could stretch to 400 feet or more. Under the current, lower height limits, buildings now are subject to the tighter standard for little gain in height.

It should also be noted that projects involving alley vacations create lot sizes that permit substantial floor area under existing FAR limits. With much more floor area than would be allowed on sites of one-half block or less, buildings on larger sites created by alley vacations are more likely to be constrained by the height limits, requiring bulkier buildings to accommodate permitted chargeable floor area, as well as whatever exempted floor space is provided.

Issues with upper level development standards:

Small Sites. The current standards pose no constraints on smaller sites because projects with floor sizes of 15,000 square feet or less above the 125 foot elevation are exempt from upper level standards. On sites of this size, the only type of project that would use the TDC would either be a residential tower seeking to go taller, or a single structure combining uses, with one use located on top of the other, since the site is probably too small for placing uses side by side or in separate structures.

Moderate-Size Sites. For sites between a quarter block and half block in size (3 to 5 lots), development choices would be to combine uses in the same structure—one on top of the other, separate uses in abutting structures, or, on sites of 4 lots or more, locate uses in separate structures. Given the site sizes, the commercial FAR limits in both DOC 2 and DMC will probably limit the extent to which commercial floors would extend above 240 feet, so the upper level development standards that kick in above 240 feet would not likely be a big factor. However, the 120 foot maximum facade length established for portions of the structure above 125 feet in height may pose more of a constraint, since floors above 125 feet will likely be required to setback 15 feet from the street property line. Prototypes illustrate that the coverage limits make it difficult to place buildings side by side or to accommodate separate structures, since the coverage limit area at the corner of the site makes it necessary to push the structure to the interior of the site. This means that solutions more like Bay Vista, with a big floor plate commercial base and a housing tower above, would likely be more workable than an alternative like Arbor Heights, where there are two separate structures.

Half Block Sites. Half block sites allow uses to be accommodated in separate structures. However, the coverage limits at the corners push buildings towards the center of the site, limiting the amount of separation that can be provided



between structures. The 40,000 square foot lot size threshold that adjusts the percentage of coverage permitted in coverage limit areas penalizes half blocks in the east half of the Denny Triangle, where lot depth is greater (120 feet), resulting in half blocks that are 43,200 square feet in area.

Full Block Sites. The issues for full block sites are similar to those of half block sites; though generally there is more flexibility in siting structures on large, deep sites. However, there is concern about promoting alley vacations through provisions that make full block development especially attractive.

Recommendations:

While additional height gained through the TDC program will allow taller, more slender structures, relieving some of the constraints posed by the upper level standards, the following proposals are recommended to further promote mixed use development by allowing greater flexibility in siting more than one structure on a development lot.

Amend the upper-level development standards for DOC 2 (23.49.078) and DMC (23.49.136) to increase flexibility in the application of coverage limits as follows:

- **Exceptions to upper level coverage limits.** Where height is allowed above 240 feet (DOC 2 300' and DMC 240'), exempt portions of structures between 240 feet and 300 feet in height from the upper level lot coverage limits that "kick in" at the 240' elevation. These standards were developed to address bulk conditions prior to CAP when there was no height limit in DOC 1 and the height limit in DOC 2 was 400 feet (the height limit was lowered to 300 feet under CAP). The limited amount of additional height now allowed above 240 feet does not warrant further setback provisions.

This provision would also ensure that projects engaging in the TDC program in the DMC 240' zone, which currently is not subject to coverage limits above 240 feet, would continue to be exempt up to 300 feet. Development in DOC 2 and DMC 240 extending above 300 feet would be subject to the limits established at 240 feet, since the greater height allowed offsets the constraints of the coverage limits.

- **Adjust lot size thresholds that determine the percentage of coverage permitted in the lot coverage limit area.** Because of different platting patterns in the Denny Triangle, half block sites on blocks east of Westlake Avenue are subject to stricter standards than those west of Westlake Avenue. East of Westlake, lots are 120 feet deep, so the area of a half block is 43,200 square feet. West of Westlake, lot depth is 108 feet, so the area of a half block is 38,880 square feet. In the Code, the threshold for adjusting the percentages for limiting coverage is 40,000 square feet, so the half blocks

just over 40,000 square feet are subject to much tighter controls (permitted coverage drops from 40 percent to 20 percent on the larger sites).

Since half block sites present opportunities for mixed use development in separate structures, adjust the threshold to 45,000 square feet in the Denny Triangle. This could be an exception that applies only to mixed use projects that include housing.

- **Relax coverage limits above 125 feet for development that is significantly less bulky than allowed on the floors closest to street level.** Currently, 100 per cent lot coverage is permitted for structures 125 feet in height or less. Projects that respond to upper level development standards by maximizing floor area in the lower elevations are likely to be perceived as extremely bulky. To encourage a more open street level environment and permit greater separation between towers on the same site, allow increased coverage at higher elevations when there is substantially less coverage than allowed for portions of the structure(s) less than 125 feet tall, or there is a significant amount of open space on the site.

For sites that are 45,000 square feet in size or less, the permitted coverage would be increased from 40 percent to 50 percent if at least 25 percent of the total site area was occupied by open space and/or structures no higher than 35 feet. The same coverage increase would be allowed if at least 50 percent of the site area was occupied by open space and/or structures no taller than 65 feet. For larger sites (greater than 45,000 square feet), the permitted coverage would increase from 20 percent to 25 percent under the same conditions.

This provision would create an incentive for projects to provide open space in return for increased flexibility in siting towers. However, it also would permit low base structures up to 35 feet or 65 feet in height to accommodate street level retail and service uses and maintain a well-defined street edge, where appropriate.

Comparison with proposal in June 1999 Draft. The following are changes made in response to comments on the review of the draft June proposal and further staff analysis:

- In the draft proposal, the exemption from upper level coverage requirements set at the 240 foot elevation was recommended for structures up to 312 feet in height. The current recommendation is for structures up to 300 feet in height. The draft proposal was also open to whether this exception would be limited to projects using the TDC program or apply to all development. The current proposal limits the exception to projects engaging in the TDC program.



- The provision to allow increased coverage above 125 feet for projects with limited coverage closer to street level has been developed in more detail.
- The proposal for increasing the lot size that establishes the threshold triggering more restrictive coverage limits is new.
- Proposals to exempt residential structures from upper level development standards or to exempt residential structures from these standards when there is more than one structure on a site have been dropped because they are determined to be unnecessary. Under current provisions, all structures on a site with floor sizes less than 15,000 square feet above a height of 125 feet are already exempt from lot coverage limits. Since 15,000 square feet is a large floor size for a residential tower, this exemption allows adequate flexibility for both residential development and mixed use development on sites with more than one structure. The current recommendations continue to include an exemption of floor area shared by residential and non-residential uses in calculating permitted FAR (see item 3 below).

2. Open Space Requirements

To meet land use and open space goals of the Denny Triangle Plan, it is desirable to promote the comprehensive network of residential amenities identified in the following neighborhood plan policy:

Land Use, P3. Support creation of “residential enclaves” of predominantly residential development along key green street couplets and 9th and Terry Avenues and Bell and Blanchard Street identifiable as residential neighborhoods by small parks, improved streetscapes, retail functions and transportation improvements that support neighborhood residents and employees alike.

The current open space requirement for residential use downtown is established as a percentage of the gross floor area in residential use. Without a specific density limit on residential use in downtown zones, the height limit, bulk limits, and open space requirements are relied upon to maintain an appropriate intensity of development. However, the current requirement may be too constraining to accommodate the larger scale of residential projects encouraged through the TDC program, as well as the higher densities of both housing and commercial activity desired in mixed use development.

The chart in Attachment B identifies the open space requirements for various development prototypes. In most instances, the area of open space required for the residential portion of a project alone exceeds 50 per cent of the lot area, often, by a substantial amount. By comparison, in Highrise Multifamily Residential Zones (HR), the quantity of open space required is limited to 50 percent of the lot area. The open space requirement for non-residential uses developed to the maximum FAR limit on the prototype sites rarely exceeds 20 percent of the site area.

When this requirement is considered in light of the objective to encourage mixed use, it poses an even greater constraint. A mixed use project would need to meet open space requirements for both the commercial floor area (in office projects over 85,000 square feet) and the residential use (for residential projects over 20 units). Mixed use prototypes show open space area requirements exceeding 75 percent of the site area.

Recommendations:

Exempt residential floor area gained through participation in TCD program from open space requirement. To gain additional floor area above the height limit through the TDC program, developers contribute to a fund for public amenities in the Denny Triangle, such as Green Street improvements or open space acquisition. Payment into this amenity fund should substitute for the requirement that otherwise would apply under the provisions for common recreation area (23.49.026).

Expand the following, existing options in the Denny Triangle that allow open space requirements to be met off-site:

- **Major office projects.** Clarify/expand provisions that allow off-site public open space or payment in lieu to meet required open space on-site to include improvements to designated Green Streets, regardless of whether the project site abuts the designated Green Street. Include exceptions to the standard for a minimum contiguous open space area of 5,000 square feet (23.49.009) for Green Street improvements.
- **General area requirements for residential uses; B. Common Recreation Area (23.49.026).** Amend item B. 7. ("For lots abutting designated street parks (Green Streets), up to fifty percent (50%) of the common recreation area requirement may be met through participation in the development of the street park (Green Street)."), to permit sites in the Denny Triangle not abutting designated Green Streets, but within easy walking distance, to use this option.

Cap the open space requirement for residential use so that the required amount would not exceed a specified percentage of the lot area. Given the higher densities of development encouraged downtown and the desire to promote mixed use development, residential use should not be subject to an open space requirement exceeding that established for highrise residential neighborhoods outside of downtown. Limit the common recreation area requirement for residential use in a primarily residential project to an amount that does not exceed 50 percent of the lot area. As an incentive for mixed use, the percentage would be reduced to 35 percent. A mixed use project would be



defined as one having at least 20 residential units and 85,000 square feet of non-residential floor area (*or the base FAR?*), excluding parking area.

Establish Landscaping Requirements. To promote a street environment with a more residential character, apply the standards for landscaping the sidewalk area established for the DMR zone (23.49.162. F. Landscaping Requirements). Limit this action to DMC zones, where housing is expected to be concentrated, and allow Green Street improvements to satisfy this requirement for sites abutting designated Green Streets.

Establish setbacks to achieve minimum sidewalk widths on Denny Triangle Green Streets. As redevelopment occurs on sites abutting Green Streets, a modest setback requirement to accommodate additional sidewalk space and/or landscaping would assist in reinforcing the desired Green Street character. While the Downtown Code establishes minimum sidewalk widths for other streets according to the pedestrian designation, the standard for Green Streets is identified as "variable. The presumption was that individual Green Street Plans would identify what the requirements would be. In the absence of these plans, there has been no specific standard to apply.

Based on the initial concept design for Denny Triangle Green Streets, a minimum sidewalk width of 18 feet is proposed. Existing sidewalk widths are 12 feet in this area. The Green Street design would typically increase this dimension to 16 feet by extending the sidewalk and planting strips about four feet into the street right-of-way, leaving an additional 2 foot setback to be provided along the street frontage of the abutting lot. This setback area would accommodate additional landscaping or extend the sidewalk area, and would be eligible for applicable public benefit features bonuses and could contribute to the project's required open space.

Comparison with proposal in June 1999 Draft. The following changes respond to comments following the review of the draft June proposal, as well as further staff analysis:

- An analysis of development prototypes revealed additional concerns related to open space requirements related to the type of mixed use and large scale residential development anticipated in the Denny Triangle. To address these concerns, the current proposal is to exempt residential floor area gained through the TDC program from the existing common recreation area requirement. Under the provisions of the TDC program, adding floor area above the height limit requires contributions to public amenities in the neighborhood that substitute for the on-site requirement that would otherwise apply.

An upper limit or "cap" would also be established on the amount of common recreation area required for residential use, with a further reduction for mixed

use projects that include space that can be shared by both project employees and residents. These changes replace the June draft proposal that would have limited the open space requirement to either the commercial open space requirement or the residential common recreation requirement, whichever was greater, provided that the space was accessible to all project occupants.

- The draft proposal called for establishing a minimum sidewalk width of 18 feet along Green Streets in the Denny Triangle. Because of the variation in how far sidewalks would be extended into the street right-of-way, there would be some uncertainty about the exact setback requirement on specific sites, and some sites would be subject to deeper setbacks than others. The decision was to select a more predictable option by establishing a uniform setback requirement that would apply to all sites and, as a landscaped area, would remain under private control of the property owners.
- The current proposal incorporates a landscaping provision that applies in Denny Regrade/Belltown residential zones. Under this provision, landscaping must be provided in the sidewalk area, in addition to the standard requirement for street trees. The requirement is limited to the DMC zone, where most residential development is expected to occur and where the Denny Triangle plan calls for establishing "residential enclaves."

3. Additional Exemptions from FAR Calculations.

Sections 23.49.068.C for DOC 2 and 23.49.124.C for DMC identify areas that are exempt from the base and maximum FAR calculations. To promote mixed use projects, the following additional exemptions are proposed:

- **Exempt floor area shared by non-residential and residential uses.** Where residential and commercial uses are combined in the same building, there may be some floor area that is either used exclusively for the residential portion of the project or shared by the commercial and residential occupants (lobby area, stair towers, elevator cores, etc.), including area occupied by residential elevators and stair wells passing through lower commercial floors to reach housing above. To encourage mixed use within the same structure, particularly on smaller sites, this floor area is proposed to be exempt from FAR calculations. Furthermore, the area of the shared space would not be included in calculations of floor sizes used to determine whether the project meets the 15,000 square foot threshold for exemption from upper level development standards. These actions will help minimize disincentives for including housing in a mixed use structure.
- **Exempt floor area for shared parking above grade.** Currently, any parking accessory to residential use and not exceeding the ratio of one space per unit is exempt from floor area calculations when provided above grade (long-term



employee parking located above grade is subject to FAR limits in DOC 2). In mixed use projects where shared parking is provided--commuter parking by day for employees used as parking for residents in the evening--the shared parking area would be exempt form FAR calculations.

Comparison with proposal in June 1999 Draft. No changes from the June proposal.

4. Code Clarifications

The following Code amendments are recommended to clarify provisions in the Code that relate to the TDC proposal. These changes were not identified in the June draft proposal.

Structure Height. Section 23.49.008 of the Code includes provisions related to height limits within downtown zones. An additional provision is added to allow for the exception to current height limits in the Denny Triangle under the Transfer of Development Credit Program. Furthermore, language added to implement the Citizen Alternative Plan (CAP) initiative is proposed to be deleted. This language addressed discrepancies created when CAP was adopted between the new height limits established under CAP for the Downtown Retail Core zone, the Downtown Office Core 1 zone, and the Downtown Office Core 2 zone and the height designations for these zones on the Official Land Use Maps in the Code. Since that time, the Official Land Use Maps have been revised to reflect the height limits that were established under CAP and continue to apply. Since the discrepancy has been rectified, these provisions are no longer necessary.

Upper Level Development Standards. For the Downtown Office Core 1, Downtown Office Core 2, and Downtown Mixed Commercial zones, Sections 23.49.058, 23.49.078, and 23.49.136 address upper level development standards. Each of these Sections includes a provision specifying that upper level development standards only apply to "structures in which any floor size above an elevation of one hundred twenty-five feet (125') above the sidewalk exceeds fifteen thousand (15,000) square feet in size."

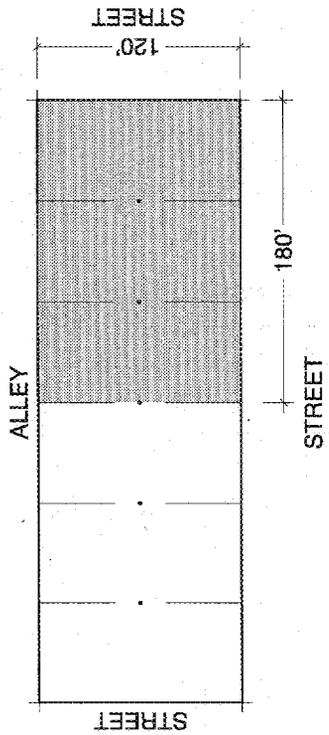
The review of upper level development standards and likely impacts on mixed use development in the Denny Triangle raised the issue of how this provision applied to lots occupied by more than one structure, or to portions of the same structure on a lot where floors above 125 feet in height were 15,000 square feet or less. The interpretation was that each structure or portions of a structure on a lot with a floor size of 15,000 square feet or less above 125 feet in height would be exempt from the upper level development standards. An amendment is proposed to reflect this interpretation of the existing provision.

APPENDIX A: DENNY TRIANGLE TRANSFER OF DEVELOPMENT CREDIT PROTOTYPES

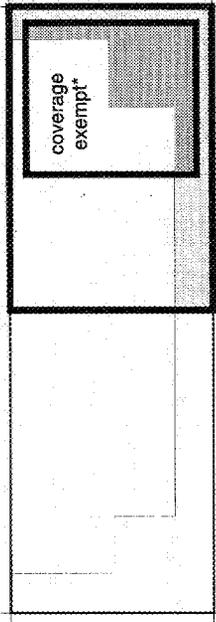
The following prototypes represent development possible under existing development standards in DOC 2 and DMC zones. They are presented to illustrate how development standards might influence the form of the type of mixed use projects that could potentially take advantage of the TDC program and to identify what constraints they may present for this type of development. The open space chart in Appendix B identifies the open space requirements associated with these prototypes, keyed to the identification number in the upper left hand corner.



3L1 DMC 240

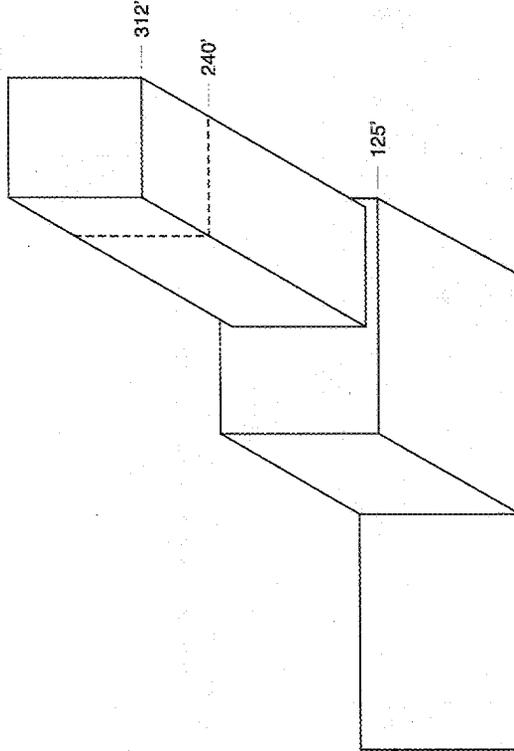


SITE: 3 lots, 120' x 180' (21,600 SF)
 100% lot coverage permitted up to 125' height



COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

- 40% coverage allowed in shaded area
- Permitted coverage: 2,880 SF
- Prototype coverage: 0* (3,500 SF exempt)*



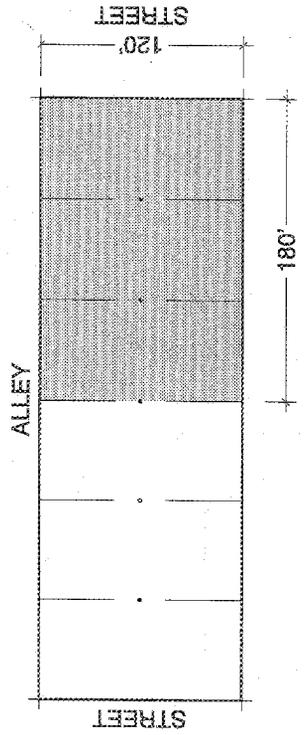
COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

- 40% coverage allowed in shaded area
- Permitted coverage: 4,320 SF
- Prototype coverage: 0* (5,500 SF exempt)*

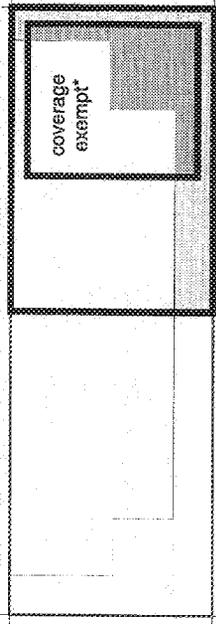
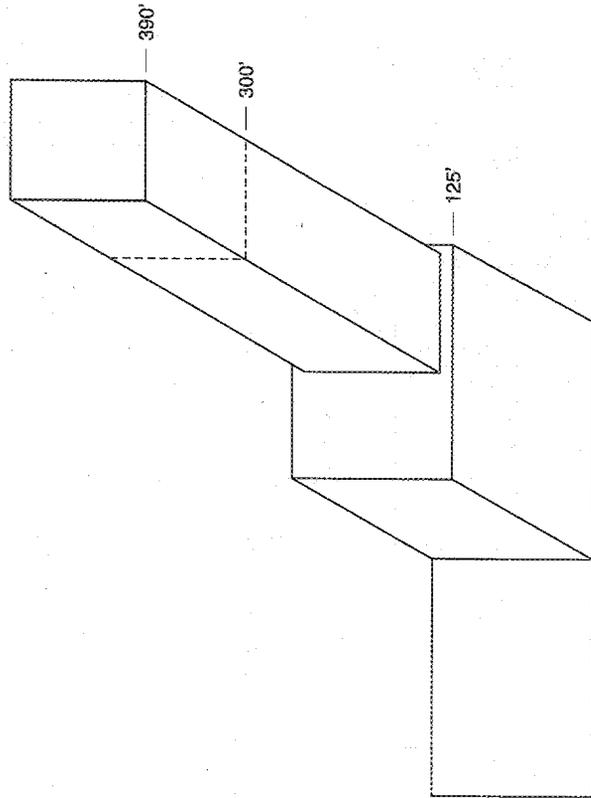
*Structures with floor sizes of 15,000 SF or less above a height of 125' are exempt from coverage limits.



3L1 DOC 2 300

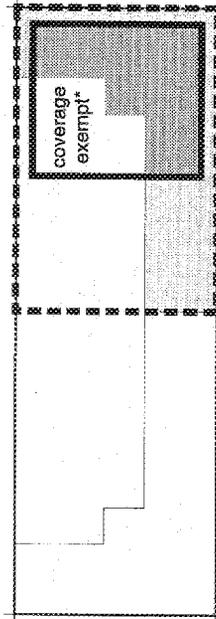


SITE: 3 lots, 120' x 180' (21,600 SF)
 100% lot coverage permitted up to 125' height



COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

- 40% coverage allowed in shaded area
- Permitted coverage: 2,880 SF
- Prototype coverage: 0* (3,500 SF exempt)*



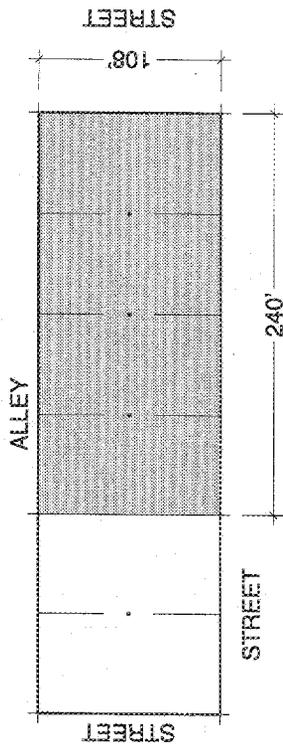
COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

- 40% coverage allowed in shaded area
- Permitted coverage: 4,320 SF
- Prototype coverage: 0* (5,500 SF exempt)*

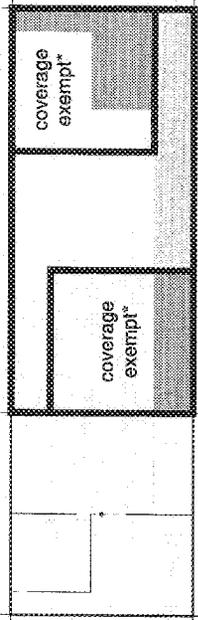
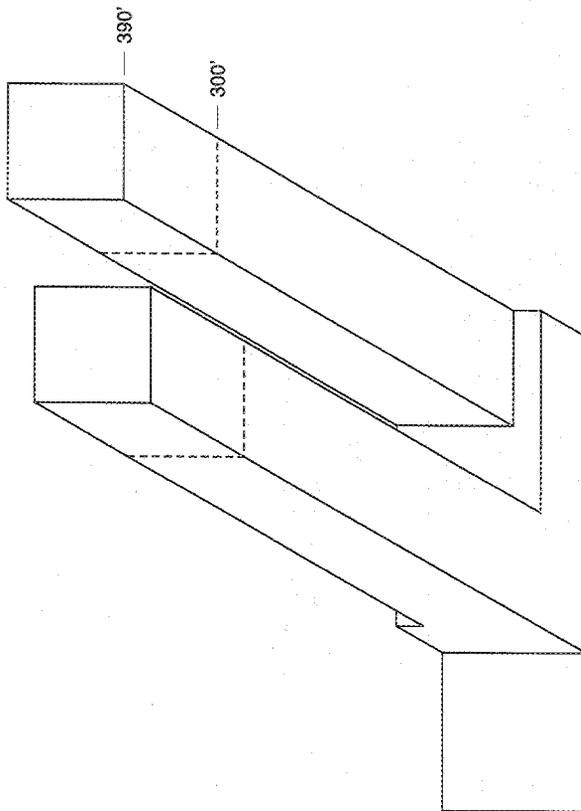
*Structures with floor sizes of 15,000 SF or less above a height of 125' are exempt from coverage limits.



4L2 DOC 2 300

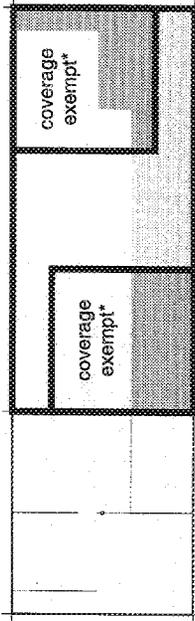


SITE: 4 lots, 108' x 240' (25,920 SF)
 100% lot coverage permitted up to 125' height



COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

- 40% coverage allowed in shaded area
- Permitted coverage: 3,264 SF
- Prototype coverage: 5,160 SF*

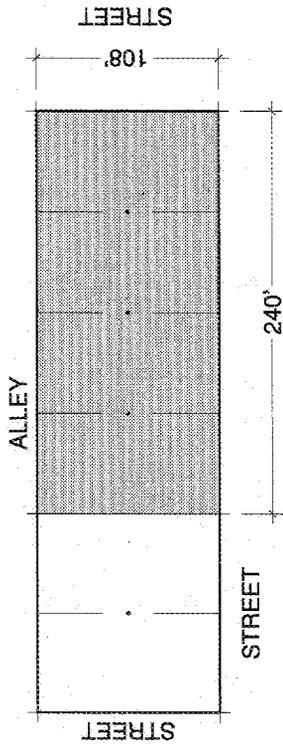


COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

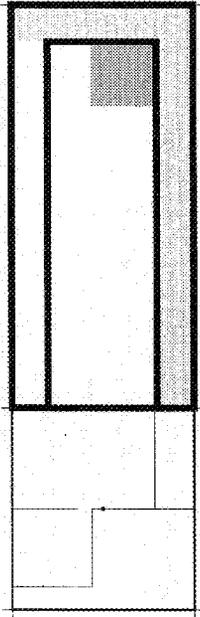
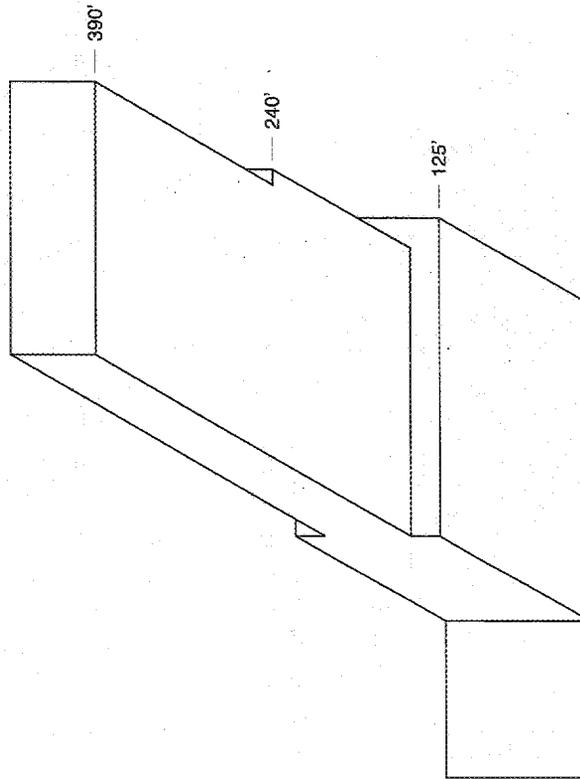
- 40% coverage allowed in shaded area
- Permitted coverage: 5,088 SF
- Prototype coverage: 8,320 SF**

*Structures with floor sizes of 15,000 SF or less above 125' elevation are exempt from upper level development standards.

4L3 DOC 2 300



SITE: 4 lots, 108' x 240' (25,920 SF)
 100% lot coverage permitted up to 125' height



COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

40% coverage allowed in shaded area
 Permitted coverage: 3,264 SF
 Prototype coverage: 2,000 SF

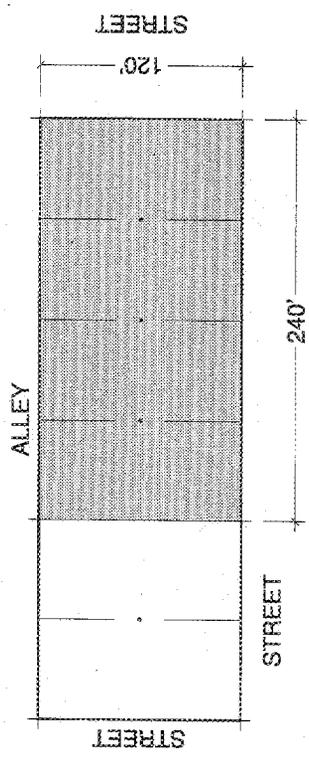


COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

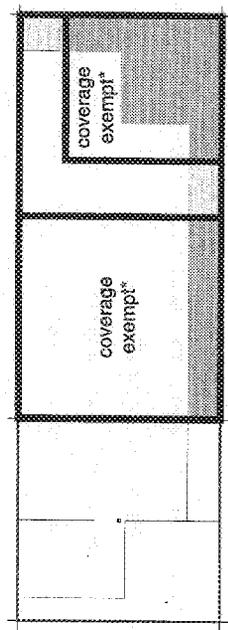
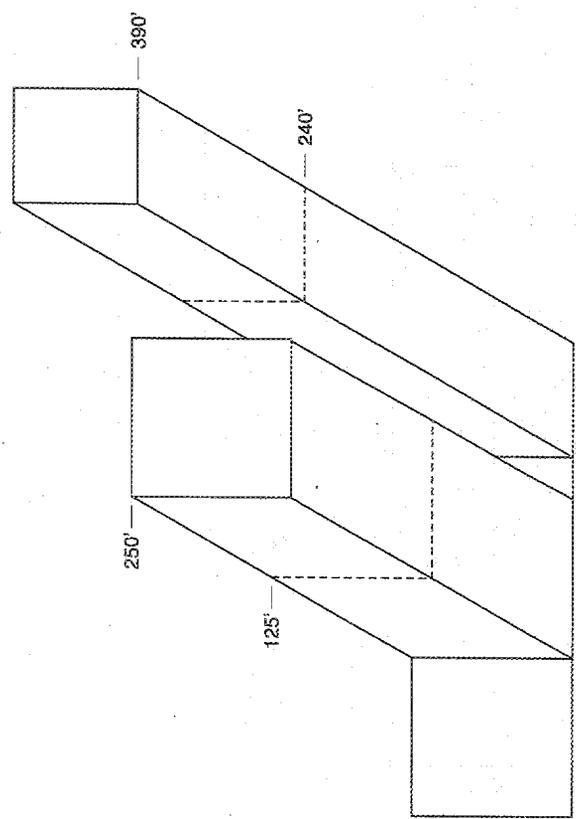
40% coverage allowed in shaded area
 Permitted coverage: 5,088 SF
 Prototype coverage: 5,050 SF



4L4 DOC 2 300

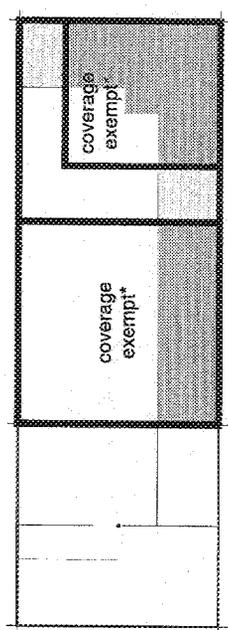


SITE: 4 lots, 120' x 240' (28,800 SF)
 100% lot coverage permitted up to 125' height



COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

40% coverage allowed in shaded area
 Permitted coverage: 3,360 SF
 Prototype coverage: 3,300 SF*



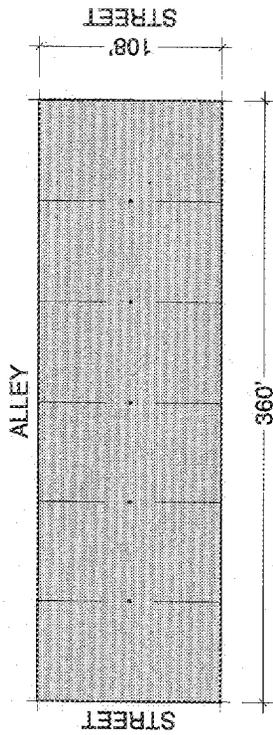
COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

40% coverage allowed in shaded area
 Permitted coverage: 5,280 SF
 Prototype coverage: 5,100 SF*

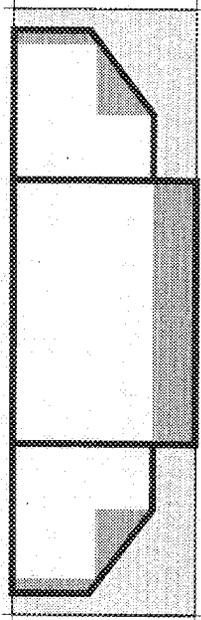
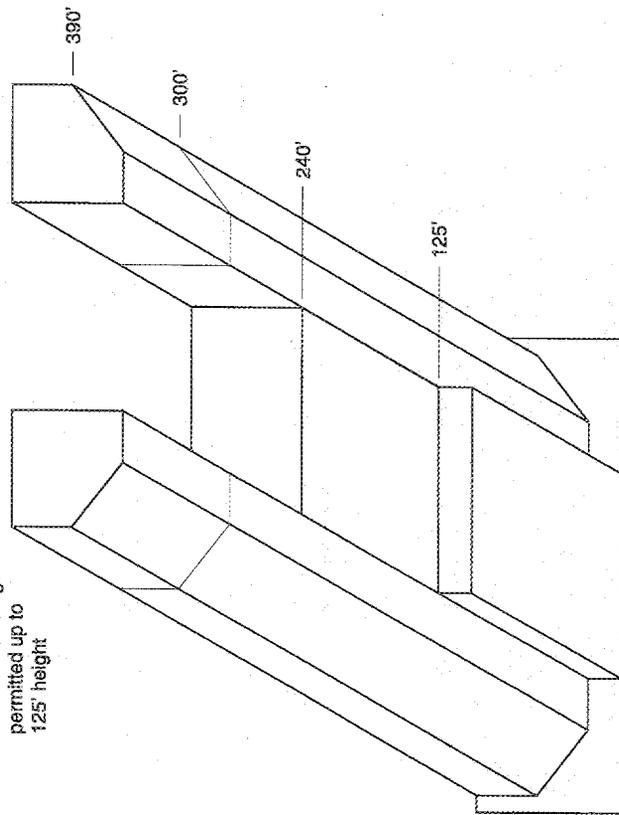
*Structures with floor sizes of 15,000 SF or less above 125' elevation are exempt from upper level development standards.



1/2 Block 2 DOC 2 300



SITE: 6 lots, 108' x 360' (98,660 SF)
 100% lot coverage
 permitted up to
 125' height



COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

40% coverage allowed in shaded area

Permitted coverage: 5,568 SF

Prototype coverage: 5,550 SF



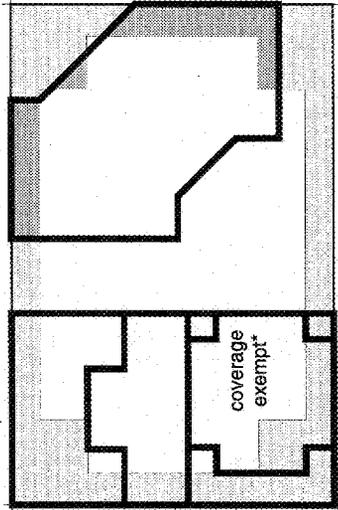
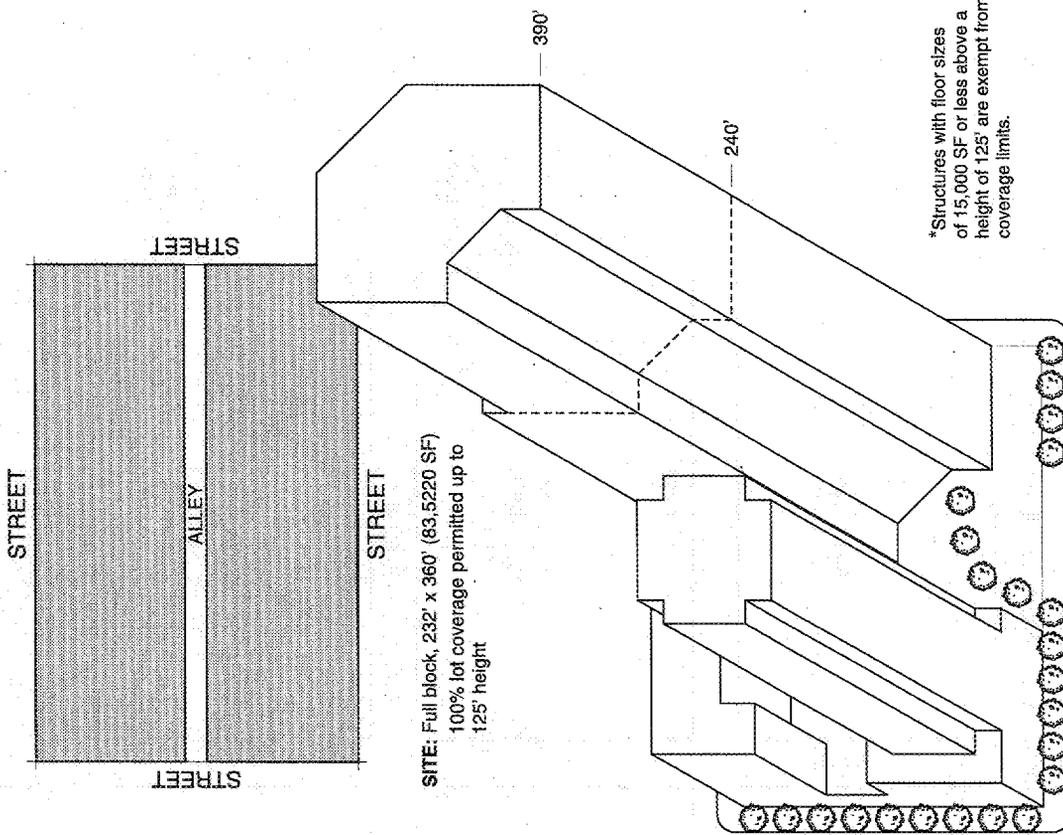
COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

40% coverage allowed in shaded area

Permitted coverage: 8,256 SF

Prototype coverage: 8,200 SF

Full Block DOC 2 300

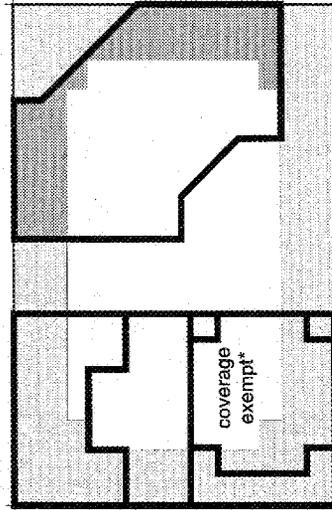


COVERAGE LIMITATION AREA BETWEEN 125' AND 240' HEIGHT

20% coverage allowed in shaded area

Permitted coverage: 5,696 SF

Prototype coverage: 5,400 SF



COVERAGE LIMITATION AREA ABOVE 240' HEIGHT

20% coverage allowed in shaded area

Permitted coverage: 8,512 SF

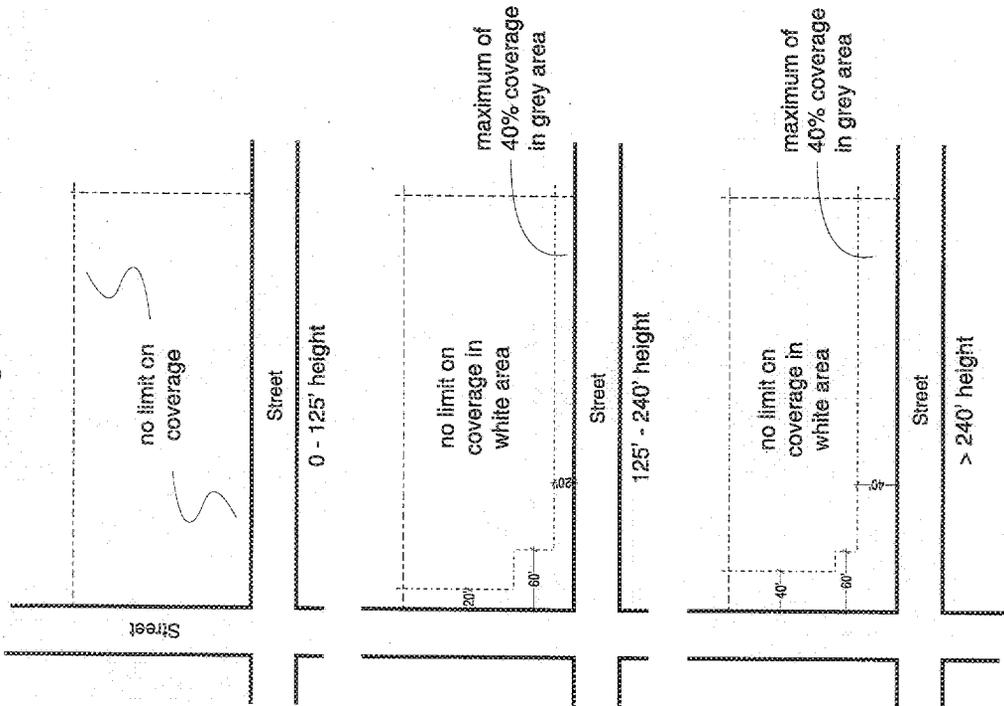
Prototype coverage: 8,500 SF

ADDITIONAL ILLUSTRATIONS PLANNING OFFICERS/REPRESENTATIVE STANDARDS/CELL BLOCK DOC 230,000 (8/0) 1/4 07/14/09



Upper Level Development Standards

Example lot - 40,000 sq. ft. on two street frontages



ADDITIONAL REGULATORY PLANNING INSTRUMENTS: PLANNING DEVELOPMENT STANDARDS FOR LEVEL DEVELOPMENT STANDARDS (C) B. D. BYRON

**APPENDIX B: OPEN SPACE REQUIREMENTS FOR DENNY TRIANGLE TDC
PROTOTYPES**

prototy pe	site size	non-res. floor area	non- res. reqmt (% site area)	res. floor area	res. reqmt. (% site area)	total reqmt. (% of site area)	exempt TDC floor area from residential open space reqmt	total reqmt. w/ TDC floor area exempt (% of site area)
Small sites (sites less than 15,000 square feet (2 lots or less) are exempt from upper level development standards)								
Quarter block sites (3 lots)								
3L1 DMC 240	3 lots (21,600 sf)	151,200 sf	3,024 sf (14%)	198,00 0 sf	9,900 sf (46%)	12,924 sf (60%)	-3,150 sf 6,750 sf (31%)	9,774 sf (45%)
3L1 DOC 2 300	3 lots (21,600 sf)	216,000 sf	4,320 sf (20%)	243,00 0 sf	12,150 sf (56%)	16,470 sf (76%)	-4,050 sf 8,100 sf (38%)	12,420 sf (58%)
Moderate sites (4 lots)								
4L1 DMC 240	4 lots (25,920 sf)	180,000 sf	3,600 sf (14%)	199,68 0 sf	9,984 sf (39%)	13,584 sf (52%)	-2,184 sf 7,800 sf (30%)	11,400 sf (44%)
4L1 DOC 2 300	4 lots (25,920 sf)	259,200	5,184 sf (20%)	249,60 0 sf	12,480 sf (48%)	17,664 sf (68%)	-2,808 sf 9,672 sf (37%)	14,856 sf (57%)
4L2 DMC 240	4 lots (25,920 sf)	0 sf	0 sf	518,40 0 sf	25,920 sf (100%)	25,920 sf (100%)	-5,670 sf 20,250 sf (78%)	20,250 sf (78%)
4L2 DOC 2 300	4 lots (25,920 sf)	0 sf	0 sf	648,00 0 sf	32,400 sf (125%)	32,400 sf (125%)	-7,290 sf 25,110 sf (97%)	25,110 sf (97%)
4L3 DMC 240	4 lots (25,920 sf)	180,000 sf	3,600 sf (14%)	354,20 0 sf	17,710 sf (68%)	21,310 sf (82%)	-5,390 sf 15,920 sf (61%)	19,520 sf (75%)

4L3 DOC 2 300	4 lots (25,920 sf)	259,200	5,184 sf (20%)	420,00 0 sf	21,035 sf (81%)	26,219 sf (101%)	-6,615 19,604 sf (76%)	24,788 sf (96%)
4L4 DMC 240	4 lots (28,800 sf)	201,060 sf	4,032 sf (14%)	288,00 0 sf	14,400 sf (50%)	18,432 sf (64%)	-3,150 sf 11,250 sf (39%)	15,282sf (53%)
4L4 DOC 2 300	4 lots (28,800 sf)	288,000 sf	5,760 sf (20%)	360,00 0 sf	18,000 sf (63%)	23,760 sf (83%)	-4,050 sf 13,950 sf (48%)	19,710 sf (68%)
4L5 DMC 240	4 lots (25,920 sf)	180,000 sf	3,600 sf (14%)	259,20 0 sf	12,960 sf (50%)	16,560 sf (64%)	-2,835 sf 10,125 sf (39%)	13,725 sf (53%)
4L5 DOC 2 300	4 lots (25,920 sf)	259,200 sf	5,184 sf (20%)	324,00 0 sf	16,200 sf (63%)	21,384 sf (83%)	-3,645 12,555 sf sf (48%)	17,739 (68%)
prototy pe	site size	non-res. floor area	non- res. reqmt (% site area)	res. floor area	res. reqmt. (% site area)	total reqmt. (% of site area)	exempt TDC floor area from residential open space reqmt	total reqmt. w/ TDC floor area exempt (% of site area)
Half block sites								
1/2 blk 1 DOC 2 300	6 lots (43,200 sf)	432,000 sf	8,640 sf (20%)	400,00 0 sf	20,000 sf (46%)	28,640 sf (66%)	-4,500 sf 15,500 sf (36%)	24,140 sf (56%)
1/2 blk 2 DMC 240	6 lots (38,880 sf)	271,160 sf	5,443 sf (14%)	426,88 0 sf	21,344 sf (55%)	26,787 sf (69%)	-4,669 sf 16,675 sf (43%)	22,118 sf (57%)
1/2 blk 2 DOC 2 300	6 lots (38,880 sf)	388,800 sf	7,966 sf (20%)	533,60 0 sf	26,680 sf (69%)	34,646 sf (89%)	-6,003 sf 20,677 sf (53%)	28,63 sf (74%)



Full block sites								
Full block DOC 2 300	12 lots and alley 83,520 sf	835,200 sf	16,704 sf (20%)	281,000 sf	14,050 sf (17%)	30,754 sf (37%)	-14,050 sf 0 (0%)	16,704 sf (20%)

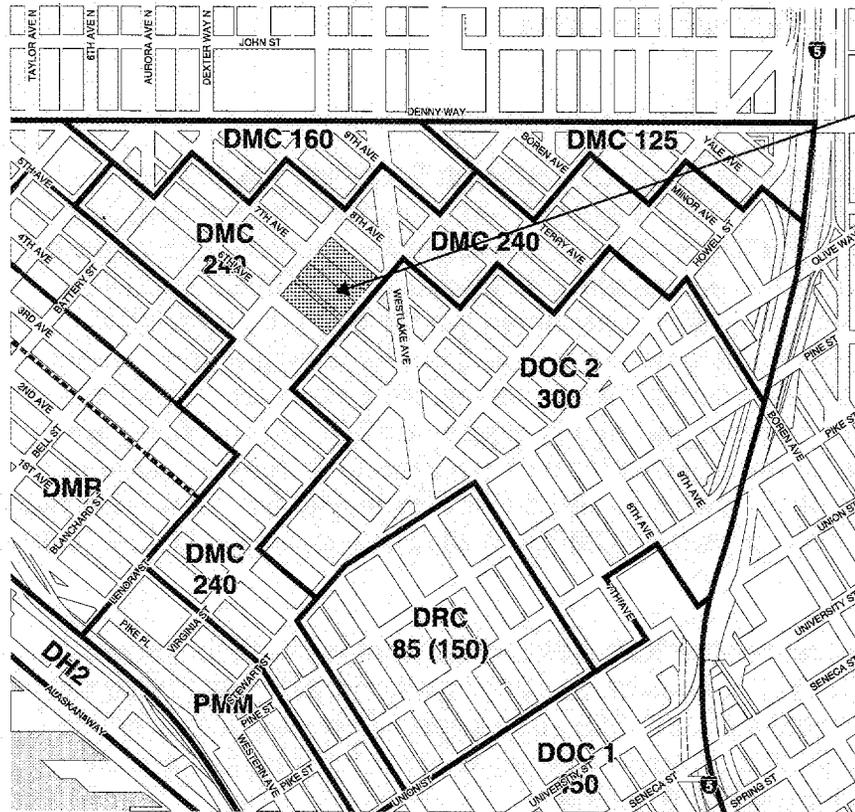
Assumptions

Number of residential floors accommodated under following heights:

- 390' = 40 residential floors
- 300' = 31 residential floors
- 312' = 32 residential floors
- 240' = 25 residential floors

III PROPOSED REZONE FOR THE DENNY TRIANGLE URBAN CENTER VILLAGE

The proposed rezone is one of three components of the proposal to establish an incentive program to encourage housing development in the Denny Triangle neighborhood. This section presents the rezone analysis supporting the proposal.

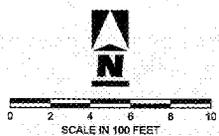


Proposal
 Rezone one full block and one half-block between Lenora to Blanchard Streets, along the east side of Sixth Avenue and both sides of the block along Seven Avenue, from Downtown Mixed Commercial 240 (DMC 240) to Downtown Office Core 2 300' (DOC 2/300)

DENNY TRIANGLE - Proposed Rezone Area

DMC 240' to DOC 2 300'

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The rezone is proposed to implement the Denny Triangle Neighborhood Plan by enhancing opportunities for future development in the area to meet both housing and employment growth targets adopted in the Comprehensive Plan. This action would extend the DOC 2/300 zoning by one and a half blocks, from Lenora to Blanchard Street, from 6th Avenue to the alley between 7th and 8th Avenues. Providing additional development capacity for employment north of Lenora Street on the west side of the Denny Triangle, will help direct residential development in the area zoned DMC, particularly in the vicinity of Terry and 9th Avenues, east of Westlake Avenue, where the Neighborhood Plan recommends increasing amenities to attract residential development along streets designated as Green Streets (Terry and 9th Avenues). In addition, the added employment capacity created by the proposed rezone would mitigate impacts of potential reduction of employment capacity that may result from the proposed Housing Incentive Program for the area.

Rezone Analysis

Existing conditions: The proposed rezone of one full block and a half-block along 6th and 7th Avenues between Lenora and Blanchard Streets includes eight parcels with total area of 2.68 acres. Three of the eight parcels have one-floor structures with a total of 25,600 square feet. Most of the parcels along 7th Avenue are used as surface parking lots. There are no housing units in the area.

Development Capacity

Impact of proposed change on development capacity: Changing the zoning classification from DMC 240 to DOC 2 300' increases capacity for both commercial and residential development. Using the City's development capacity analysis, all parcels are identified as potentially available for redevelopment. Because both DOC2 and DMC 240 zoning accommodate a mix of uses, it is assumed that 80 percent of available parcel area would be developed for commercial use and the remaining 20 percent for residential use. The level of development for either use would be different, however, as the maximum density limits for commercial uses is greater for DOC 2 (10 FAR) than for DMC (7 FAR). While there is no density limit for housing in these zones, for purposes of estimating development capacity, the assumed density for residential uses in the two zones also differs. The density assumed for DMC is 125 sq ft/unit, and in DOC 2 is 80 sq ft/unit.

Under these assumptions, the rezone to DOC 2 would accommodate development capacity for 909,592 square feet of non-residential floor area and 292 new residential units. The proposed rezone would add 280, 558 square feet of non-residential space to accommodate a total of 1020 jobs, and would add capacity for 105 residential units, over the capacity under existing DMC 240 zoning.

Changes to Development Capacity			
	Capacity under current DMC 240	Capacity under proposed DOC 2	Net change
Parcels available for redevelopment	8 parcels	8 parcels	0
Developable land area	116,899 SF	116,899 SF	
Residential development capacity	187 units	292 units	+ 105 units
Non-residential development capacity	629,034 SF (2287 jobs)	909,592 SF (3307 jobs)	+ 280,558 SF (1020 jobs)



Capacity for growth targets. The proposed rezone will assist the Denny Triangle Urban Village in providing additional capacity to meet the Comprehensive Plan targets for housing and employment growth in the area for adding 3,500 households (3675 units) and 23,000 jobs over the 20 year period following the Plan's adoption in 1994.

Rezone Evaluation

This section of the report examines basic zoning principles (expressed in the General Rezone Criteria from the Land Use Code in Section 23.34.008). Included is a discussion of the function to be achieved by the rezones in relation to the development objectives of the Commercial Core neighborhood plan. Specific issues will also be examined focusing on: the impact of more intensive zones on less intensive zones-- buffers, transitions and boundaries; and pertinent zoning history and changed circumstances.

Match Between Zone Criteria and Area Characteristics

Designation of Downtown zones. The proposal calls for rezoning an area zoned Downtown Mixed Commercial with a 240 foot height limit to Downtown Office Core 2 with a 300' height limit. Section 23.34.100 of the Land Use Code states that "rezones to a downtown zone designation shall be considered only for areas within the Downtown Urban Center boundaries established in the Comprehensive Plan." The proposed rezone area is within these boundaries.

Location criteria for Downtown Office Core 2 (DOC 2) zone. As established in the Land Use Code (23.34.104), locations appropriate for the DOC 2 designation are consistent with the following:

- **Function.** Areas that provide a range of high-density office and commercial activities with retail shopping and support services closely related to the primary office core. The density of development is not as great as in the DOC 1 designation.

The area abuts the existing DOC 2/300' area which include development serving this area. The proposed rezone land is well suited to be part of the office expansion area, providing high density office and commercial activities, and retail shopping and support services. While the density of existing development is low, the area is adjacent to high-density office buildings serving this function.

- **Scale and Character of Development.** Areas where large-scale office buildings are appropriate and do not adversely affect the pedestrian environment or existing development determined desirable for preservation. The most prevalent current use in the area is surface parking, either commercial lots or accessory parking. Existing structures offer limited pedestrian amenities. Under the proposed DOC 2 designation, there is

added incentive for new development to use the public amenities incentive system and provide street level uses, participate in green street development along Blanchard Street, and provide retail and shopping uses along the street front. The added incentive for housing development under the TDC would promote an active pedestrian environment.

- **Transportation Access.** The area is well served by transit, abutting the free-ride bus zone along 6th Avenue, is within walking distance from the Downtown transit tunnel, and is accessible to autos.
- **Relationship to Surrounding Activity.** The area is centrally located in relation to areas of downtown employment and residential concentrations.

The area is centrally located to employment and the downtown residential population. It abuts the existing DOC 300' area to the south.

Zoning Principles.

Zone Boundaries. The area abuts DOC 2/300' zoning to the southeast, and DMC 240 to the west, north and south. Extending the DOC 2/300' zoning along 6th and 7th Avenues from Lenora to Blanchard Streets is consistent with the general configuration of DOC 2 zoning within the office expansion area. The proposed rezone maintains a two-block area zoned DMC 240 to the north, west and south. An improved alley between 7th and 8th Avenues will provide a good edge between the two zoning designations.

Height and scale of the area. The rezone area is currently developed with four one story structures, and commercial or accessory surface parking lots. Several structures on adjacent blocks in both the existing DMC and DOC 2 zones exceed or have heights that would be permitted for similar uses on this area. Examples of buildings height in the vicinity are: The Westin Hotel, 405' – 470'; 1600 Bell Plaza, 463'; Westin Office Bldg., 430'; Blanchard Plaza, 216'.

Compatibility with surrounding areas. The proposed rezone would incorporate the one and a half-block into the DOC 2 zone abutting to the southeast, extending the zone northwest. The remaining DMC 240 zoning provides an appropriate transition between high intensity office and the less intensive areas with lower high limits (DMC 160) to the north and the Mixed Residential /Commercial zone (DMR/C) in the adjacent Belltown neighborhood.



Zoning history and changed circumstances.

Recent zoning history. The existing DMC zoning for the area was established with the adoption of the 1985 Downtown Plan. Prior to that time, the area had been zoned Metropolitan Commercial (CM) and Metropolitan Commercial Temporary (CMT), zones that had a base density limit of 10 FAR with no maximum density limit and no height limit. The DMC 240 zoning established a height limit of 240 feet with a maximum 7 FAR.

Changed circumstances. The proposed rezone is consistent with the intent of the recently adopted Neighborhood Plan for the Denny Triangle to increase incentives for housing and employment growth in the area. .

Permit activity in the area. There are no active permits currently on file at DCLU for development on sites in this area. One project with 180,000 sq. ft of commercial space is in the preliminary design review process in the abutting DOC 240 zone to the west.

Match Between Zone Locational Criteria and Area Characteristics

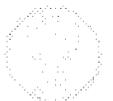
This section provides a matrix to walk through the applicable rezone function and locational criteria (from the Land Use Code, as cited)

Proposed Rezone	Downtown Mixed Residential (DMC) 240 to Downtown Office Core (DOC 2)		
Criteria (23.34.009)	Meets Criteria		
	YE S	N O	Comments/Description
Rezone Evaluation: Designation of downtown zones: 23.34.100			
Rezoning to a downtown zone designation shall be considered only for areas within the boundaries of the Downtown Urban Center as shown in the Official Land Use Map.	X		Rezone area is within boundaries of Downtown Urban Center.
Rezone Evaluation: Downtown Office Core 2 (DOC 2) zone function statements and locational criteria: 23.34.104			
The Downtown Office Core 2 designation applies to areas adjacent to the office core determined appropriate for office expansion or where a transition in the level of activity and scale of development is desirable. DOC 2 areas shall be primarily for office use with a mix of other activities	X		See discussion above regarding the rezone area's match with conditions appropriate for DOC 2 designation, including the intended function of the zone, scale and development characteristics, transportation and infrastructure capacity, relationship to surrounding activity and heights.

Proposed Rezone	Downtown Mixed Residential (DMC) 240 to Downtown Office Core (DOC 2)		
	Meets Criteria		
encouraged to add diversity, particularly beyond the normal working day hours.			
General Rezone Criteria 23.34.008			
Capacity for Growth Targets	X		By increasing available capacity for both jobs and housing, the proposed rezone is consistent with Comprehensive Plan policies directing neighborhoods to plan for specified growth estimates.
Minimum Zoned Capacity (Section B of Comp Plan LU Element)	X		Sufficient zoning capacity exists in the area and elsewhere in the Downtown Urban Center to accommodate minimum urban center growth targets, although rezone will increase capacity to help that area meet planning target.
Maximum Zoned Capacity (Section B of Comp Plan LU Element)			
General rezone criteria: Match between zone criteria and area characteristics: 23.34.008			
The most appropriate zone designation shall be that for which the provisions for designation of the zone type and the locational criteria for the specific zone match the characteristics of the area to be rezoned better than any other designation.	X		See discussion of DOC 2 and DMC locational criteria above.
General rezone criteria: Zoning history and precedential effect: 23.34.008			
Previous and potential zoning changes both in and around the area proposed for rezone shall be examined.	X		Changes to the DOC 2 zoning is a better match with existing conditions and development objectives for the area.
General rezone criteria: Neighborhood plans: 23.34.008			
Council adopted neighborhood plans that apply to the area proposed for the rezone shall be taken into consideration	X		The proposal is intended to implement the recommendation to create incentives to attract residential and commercial development in the Denny Triangle Neighborhood Plan.
General rezone criteria: Zoning principles: 23.34.008			
The impact of more intensive zones on less intensive zones or industrial	X		The proposed rezone area abuts a DMC 240 zone on three sides which



Proposed Rezone	Downtown Mixed Residential (DMC) 240 to Downtown Office Core (DOC 2)	
Meets Criteria		
and commercial zones shall be minimized by the use of transition or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred.		provides for a transition between downtown zones allowing the greatest intensity of development and less intensive residential and mixed use areas.
Physical buffers may provide an effective separation between different uses and intensities of development.	X	The compatibility of uses and similar intensity of development allowed in both the DOC 2 and DMC zones makes buffers or separation between zones unnecessary. However, among the Downtown zones, the DMC zone was established to provide a buffer or transition between zones with development intensities that vary significantly.
Zone boundaries	X	The rezone area would extend the existing DOC 2 zone by one block to the northwest. An alley and street rightsof-way would separate the area from the adjacent DMC 240 zone.
General rezone criteria: Impact evaluation: 23.34.008		
The evaluation of a proposed rezone shall consider the possible negative and positive impacts on the area proposed for rezone and its surroundings.	X	The proposed zoning change will increase the intensity of commercial and housing development allowed in the area. The rezone would increase the maximum height limit from 240' to 300'.
General rezone criteria: Changed circumstances: 23.34.008		
Evidence of changed circumstances shall be taken into consideration in reviewing the proposed rezone, 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.	X	See reference to Neighborhood Plan above.
General rezone criteria: Overlay districts: 23.34.008		
If the area is located in an overlay		Not applicable



Proposed Rezone	Downtown Mixed Residential (DMC) 240 to Downtown Office Core (DOC 2)	
	Meets Criteria	
district, the purpose and boundaries of the overlay district shall be considered.		
General rezoning criteria: Critical areas: 23.34.008		
If the area is located in or adjacent to a critical area (SMC Chapter 25.09), the effect of the rezoning on the critical area shall be considered.		Not applicable.
General rezoning criteria: Land use policies		
Land use policies contained or referenced in Chapter 23.12 that are applicable to the rezoning shall be considered		Rezoning is consistent with Policy 3 of the Downtown Land Use and Transportation Plan for the Office Core 2 (DOC 2), incorporated by reference as land use policy in Chapter 23.12.
Height limits of proposed rezoning: Downtown Plan Policy 15: Building Height		
The height of new development shall be regulated to: 1) communicate intensity and character of development in different parts of downtown; 2) protect the light, air and human scale qualities of the street environment in areas of distinctive physical and/or historic character; and 3) provide transition to the edges of downtown to complement the physical form, features and landmarks of surrounding areas.	X	The proposal would extend the 300 foot height limit that applies on the east side of Lenora Street, and along Sixth and Seventh Avenues southeast of Lenora Street. This height limit would accommodate the desired intensity of mixed use development in the area, while maintaining the scale transition between the office expansion area and the DMC 240 are surrounding the proposed rezoning area.
Height limit of proposed rezoning: Downtown Plan Policy 15, Implementation Guideline 1: Height Limits. A. Transition		
Building heights shall be in general conformance with the Height Concept map. Height limits shall taper from an apex in the office core toward the perimeter of downtown, to provide transitions to the waterfront and neighborhoods adjacent to downtown.	X	The rezoning maintains the general transition in height within downtown, with heights decreasing west to east from the office core and office expansion areas to the harborfront.
Height limits of the proposed rezoning: Downtown Plan Policy 15, Implementation Guideline 1: Height Limits. B. Existing Character		
Height limits shall recognize and enhance the existing scale and	X	The proposed height limit is consistent with the scale and intensity of



Proposed Rezone	Downtown Mixed Residential (DMC) 240 to Downtown Office Core (DOC 2)	
	Meets Criteria	
unique character of areas within downtown including the retail core, office core, the Pike Place Market, Belltown, Pioneer Square and the International District.		development identified in the Downtown Plan as appropriate for the office expansion area. The height limit of the zone is compatible with the height of existing highrise buildings in the immediate area.
Height limits of the proposed rezone: Downtown Plan Policy 15, Implementation Guideline 1: Height Limits. C. Development Regulations		
Height limits shall be compatible with allowed building uses, densities and other development regulations.	X	The additional height provides an incentive for office and mixed use development, consistent with the type of development for the office expansion area of Downtown. Requirements for street level uses will continue to apply to all street frontages, maintaining continuity with street level activity in adjacent areas.
Height limits of the proposed rezone: Downtown Plan Policy 15, Implementation Guideline 1: Height Limits. D. Boundaries		
Height limits and land use district boundaries shall be coordinated.	X	The proposal is consistent with existing height limits in the area. The existing height limit of the adjacent blocks across Lenora Street to the southeast is the same as the proposal (300'). The height limit of the area surrounding the proposed rezone is 240', providing an appropriate transition in height.



City of Seattle

Paul Schell, Mayor

Executive Department - Strategic Planning Office

Lizanne Lyons, Director

DATE: July 28, 1999

TO: Council President Sue Donaldson
Councilmember Jan Drago, Chair
Business, Economic and Community Development Committee

FROM: Glenn Whitham, ^{GW} Acting Director, Strategic Planning Office
Rick Krochalis, Director, Department of Design, Construction and Land
Use *Rick Krochalis*

RE: Executive Recommended Incentive Program to Encourage Housing in the
Denny Triangle Neighborhood

This memo transmits the proposed legislation and Executive's report on recommended actions that will address multiple policy goals within Seattle and in the region. To help reduce development in King County's rural area and encourage housing in accordance with the Denny Triangle Neighborhood Plan, this proposal includes the following actions:

- Establishing a Transfer of Development Credits program to transfer development credits from rural King County to the Denny Triangle and fund amenities recommended in the Denny Triangle Neighborhood Plan;
- Changing development standards to facilitate mixed use development; and
- Rezoning an area in the southern edge of the Denny Triangle to help meet job targets, given the fact that housing will be prioritized in the northern portion of the neighborhood

Executive staff have worked with King County and the Denny Triangle Neighborhood Planning Group over the past year to develop a structure for transferring development credits from the Rural area into the Denny Triangle. King County established a Transfer of Development Credits pilot program in October 1998 and is working with other cities to establish "receiving areas" similar to this proposal. King County will also invest in public amenities in the Denny Triangle neighborhood.

The attached report outlines the proposal, along with two draft ordinances. Subsequent legislation will authorize an interlocal agreement with King County. If you have any questions about this material please contact Elsie Crossman at 684-8364.

Cc: BECD Committee members
Tom Byers—Mayor's Office
Denna Cline—Mayor's Office

Return Address:

Seattle City Clerk's Office

600 4th Avenue, Room 104

Seattle, WA 98104



CITY OF SEATTL MISC

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PAGE 001 OF 003
11/18/1999 15:00
KING COUNTY, WA

Please print or type information WASHINGTON STATE RECORDER'S Cover Sheet (RCW 65.04)

Document Title(s) (or transaction contained therein): (all areas applicable to your document must be filled in.)

1. ORDINANCE #119738

Re - _____ of document.

AN ORDINANCE relating to land use and zoning, rezoning property by amending the Official Land Use Map, SMC Chapter 23.32, to implement the Transfer of Development Credit Provisions in the Denny Triangle in support of the Denny Triangle Neighborhood Plan.

Grantor(s) (Last name first, then first name and initials)

1. City of Seattle

Additional names on page-----of document.

Grantee(s) (Last name first, then first name and initials)

1. N/A

2.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Additional reference #'s on page -----of document N/A

Assessor's Property Tax Parcel/Account Number/ N/A

Assessor Tax # not yet assigned.

1999 111 8001586

ORDINANCE 119738

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AN ORDINANCE relating to land use and zoning, rezoning property by amending the Official Land Use Map, SMC Chapter 23.32, to implement the Transfer of Development Credit Provisions in the Denny Triangle in support of the Denny Triangle Neighborhood Plan.

WHEREAS, the City Council finds that the rezoning established by this ordinance will protect and promote the health, safety and welfare of the general public; will maintain sufficient capacity for employment growth while creating additional opportunities for residential development; and will support the recommendations of the Denny Triangle Urban Center Village Plan.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

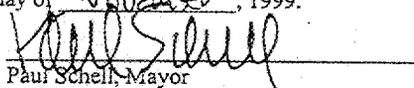
Section 1. Attached to this ordinance is one zoning map, identified as "Exhibit A-1" which is incorporated herein by reference. The Official Land Use Map, page 109 is amended to rezone the properties shown on the attached zoning map as "Rezone Area," from DMC 240' to DOC 2 300'.

Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

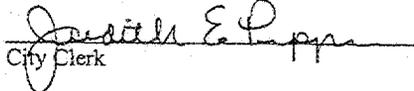
Passed by the City Council the 1st day of November, 1999, and signed by me in open session in authentication of its passage this 1st day of November, 1999.


President of the City Council

Approved by me this 10th day of November, 1999.


Paul Schell, Mayor

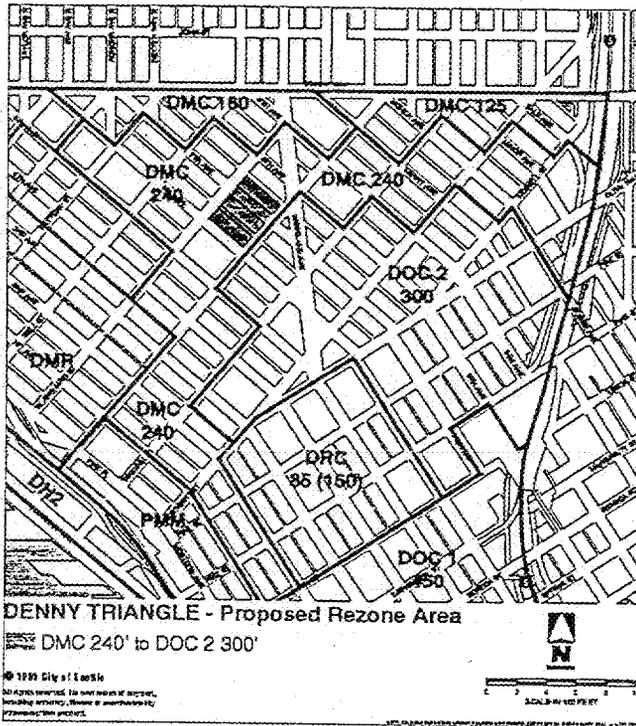
Filed by me this 10th day of November, 1999.


City Clerk

(SEAL)

1999 111 8001586

"Exhibit A-1"
Page 109 of the Official Land Use Map
Denny Triangle Urban Center Village
Residential Incentive Program Rezone



1999 111 8001586

STATE OF WASHINGTON
COUNTY OF KING
CITY OF SEATTLE

} ss

I, JUDITH E. PAPPEN, CITY CLERK OF THE CITY OF SEATTLE, DO HEREBY CERTIFY THAT THE WITHIN AND FOREGOING IS A TRUE AND CORRECT COPY OF ordinance 119738

AS THE SAME APPEARS ON FILE, AND OF RECORD IN THIS DEPARTMENT.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE SEAL TO THE CITY OF SEATTLE, THIS 16th day of November, 1999

JUDITH E. PAPPEN
CITY CLERK

BY: Margaret Carter

DEPUTY CLERK

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:



FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO: _____

PRESIDENT'S SIGNATURE

STATE OF WASHINGTON - KING COUNTY

112081
City of Seattle, City Clerk

—ss.

No. FULL ORDINAN

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:119738 ORD IN FUL

was published on

11/18/99

The amount of the fee charged for the foregoing publication is the sum of \$ _____, which amount has been paid in full.

Subscribed and sworn to before me on

11/18/99

Notary Public for the State of Washington
residing in Seattle

City of Seattle

ORDINANCE 119788

AN ORDINANCE relating to land use and zoning, rezoning properties shown on the Official Land Use Map, SMC Chapter 23.32, to implement the Transfer of Development Credit Provisions in the Denny Triangle in support of the Denny Triangle Neighborhood Plan.

WHEREAS, the City Council finds that the rezoning established by this ordinance will protect and promote the health, safety and welfare of the general public, will maintain sufficient capacity for employ-

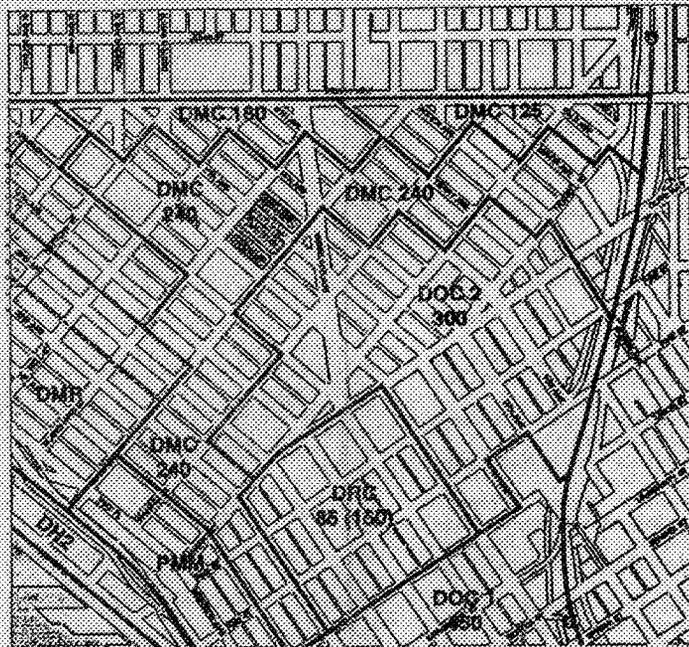
ment growth while creating additional opportunities for residential development, and will support the recommendations of the Denny Triangle Urban Center Village Plan.

NOW THEREFORE BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Attached to this ordinance is one zoning map, identified as "Exhibit A-1" which is incorporated herein by reference. The Official Land Use Map, page 109 is amended to rezone the properties shown on the attached zoning map as "Rezone Area," from DMC 240' to DOC 2 300'.

"Exhibit A-1"

Page 109 of the Official Land Use Map
Denny Triangle Urban Center Village
Residential Incentive Program Rezone



DENNY TRIANGLE - Proposed Rezone Area

DMC 240' to DOC 2 300

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Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 1st day of November, 1999, and signed by me in open session in authentication of its passage this 1st day of November, 1999.

SUE DONALDSON,
President of the City Council

Approved by me this 10th day of November, 1999.

PAUL SCHELL,

Mayor

Filed by me this 10th day of November, 1999.

(Seal) JUDITH E. PIPPIN,

City Clerk

Publication ordered by JUDITH PIPPIN,

City Clerk

Date of official publication in Daily Journal of Commerce, Seattle, November 18, 1999.
11/19(112081)