

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
DPD / Legislative	Martha Lester / 4-8149	NA

Legislation Title:

AN ORDINANCE related to land use and zoning; amending Seattle Municipal Code Sections 23.49.011, 23.49.013, and 23.49.014 to remove provisions related to the bonus for a Landmark performing arts theater (LPAT) and to increase the base floor area ratio (FAR) of a lot with an LPAT to provide a new incentive for rehabilitating and maintaining these structures; and amending the Downtown Amenity Standards to delete reference to the bonus for the restoration and preservation of a Landmark performing arts theater and to update references to the Public Art Advisory Committee.

Summary of the Legislation:

This legislation would amend the Downtown chapter of the City's Land Use Code (Seattle Municipal Code chapter 23.49) to provide incentives for the rehabilitation and use of a designated Landmark structure that includes a performing arts theater, referred to as a Landmark performing arts theater (LPAT). This legislation would increase the base floor area ratio (FAR) of a lot that includes a LPAT. The higher base FAR would result in the following: 1) additional chargeable floor area could be added to the lot with a LPAT, potentially allowing for more revenue-generating space in a qualifying theater structure, provided the Landmarks Board approves any changes; and 2) the increase in base FAR would create more floor area that could be sold and transferred as Landmark TDR (transferable development rights) to eligible receiving sites. This would benefit a LPAT that has sold its existing LPAT TDR, since the increase in base FAR would provide more TDR to sell.

Background:

Currently, Downtown Landmark performing arts theaters are eligible for two incentives:

- 1) Landmark performing arts theater transfer of development rights (LPAT TDR), and 2) a floor area bonus for the restoration and preservation of Landmark performing arts theaters (LPAT bonus). At the request of stakeholders advocating for the historic theaters, DPD reviewed the performance of these incentives, and concluded the following:
- While the use of LPAT TDRs has been successful, two of the three eligible LPATs have sold all their development rights, so this incentive is no longer available to them; and
 - The LPAT bonus has never been used, primarily because of uncertainties as to how it is to be administered and because the types of improvements that can be funded to gain the bonus have been too narrowly defined. (The list of types of eligible improvements has recently been expanded, but it's not known whether this will make the LPAT bonus significantly more usable.) There is also a concern that modifying the bonus to make it more usable

could, over the long-term, have negative consequences on the use of incentives for other amenity features.

The proposed legislation addresses these concerns by repealing the LPAT bonus and increasing the base FAR for a LPAT.

Please check one of the following:

 x **This legislation does not have any financial implications.**

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
No.

b) **What is the financial cost of not implementing the legislation?**
None.

c) **Does this legislation affect any departments besides the originating department?**
The Office of Housing tracks use of TDRs, so it might be called on to process TDR transactions related to the increase in base FAR reflected in this legislation.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
Changing the structure of the existing LPAT bonus might achieve similar objectives.

e) **Is a public hearing required for this legislation?**
Yes, a City Council public hearing is required by SMC 23.76.062.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
Notice of the SEPA determination was published in the City's Land Use Information Bulletin (LUIB) and in the DJC. Notice of the public hearing will be published in the LUIB and in the DJC.

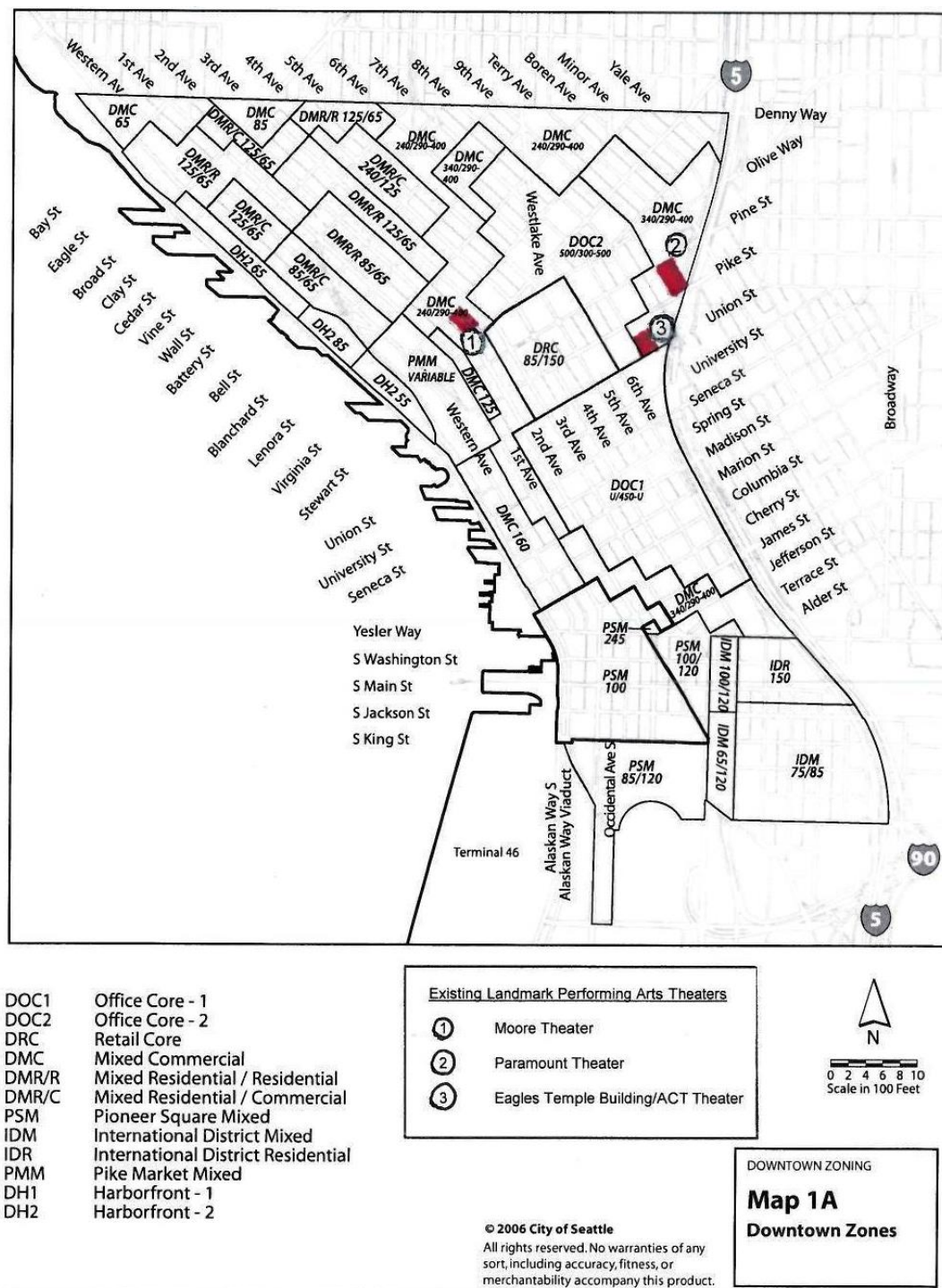
g) **Does this legislation affect a piece of property?**
This legislation could affect one or more Landmark performing arts theaters, which are shown on Exhibit 1 to this fiscal note.

h) **Other Issues:**

List attachments to the fiscal note below:

Exhibit 1: Map of Existing Landmark Performing Arts Theaters and Downtown Zoning

Map of Existing Landmark Performing Arts Theaters and Downtown Zoning



Note: This map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.