



Legislative Department
Seattle City Council
Memorandum

Date: January 7, 2011

To: Councilmember Sally J. Clark, Chair
Councilmember Tim Burgess, Vice Chair
Councilmember Sally Bagshaw, Member
Committee on the Built Environment (COBE)

From: Martha Lester and Rebecca Herzfeld, Council Central Staff

Subject: January 12, 2011, COBE Meeting: South Downtown Zoning Proposal

Council Bill (C.B.) 117073, which would amend the Land Use Code to revise zoning regulations in South Downtown, was introduced on December 6, 2010, and referred to the Committee on the Built Environment (COBE). Councilmembers discussed several issues at the December 8, 2010, COBE meeting.

This memo continues that review of issues for Councilmember discussion. Based on Councilmember direction, we will present specific potential amendments to the C.B. for review and possible vote at a later COBE meeting.

1. Parking maximums east of I-5, in Little Saigon and the Dearborn corridor

The areas of South Downtown located east of I-5 are *currently* zoned a mixture of NC3, C1, and IC. Under this existing zoning, there is no maximum limit on the amount of parking that can be built.

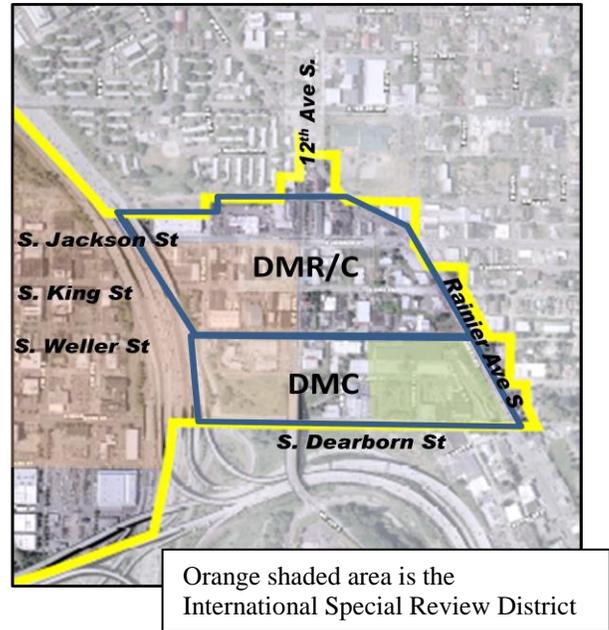
The *proposed* downtown zoning for these areas (DMR/C north of S. Weller Street, and DMC south of S. Weller Street) would impose a maximum limit on the amount of parking for non-residential uses of 1 parking space per 1,000 square feet of floor area.

Some property and business owners in these areas (including both Little Saigon and the Dearborn corridor) argue that the proposed parking maximum is too restrictive. Business representatives cite Little Saigon's role as a regional shopping destination. They note the importance of having adequate parking for shoppers from throughout the region for whom transit is not currently a viable alternative.

Farther south, parcels along S. Dearborn Street are more auto-oriented, with good access to Rainier Avenue S., I-5, and I-90. These areas are less well-served by public transit than are other areas of downtown. Goodwill Industries cites the need for more parking for the type of redevelopment that might occur on its property, particularly for retail uses.

Under DPD's proposal, which combines existing Land Use Code provisions with new amendments, several permit processes would be available for an applicant to potentially exceed 1 parking space per 1,000 square feet of non-residential floor area.

- A “special exception” to allow more than 1 parking space per 1,000 square feet of non-residential floor area could be available anywhere in this area. It would be decided by the DPD Director, subject to listed criteria. C.B. 117073 would add as a criterion “whether the area is located at the edge of the Downtown Urban Center where available short-term parking and transit service is limited.”
- In the International Special Review District (ISRD) (west of 12th and south of Jackson), a principal use parking garage (not subject to the maximum) could be allowed under existing code provisions subject to listed criteria and “special review” by the ISRD Board and the Director of the Department of Neighborhoods.
- Outside the ISRD, existing and proposed code provisions would allow a principal use parking garage (not subject to the maximum) for short-term parking as an “administrative conditional use,” subject to listed criteria.



The provisions that allow a principal use parking garage address the request that some community members have voiced to allow a centralized community parking facility in the South Downtown neighborhoods.

Goodwill Industries and an adjacent property owner argue that the possible availability of these exceptions would come too late in the development process and not provide sufficient certainty to secure financing for projects, and would be subject to appeal and possible additional delay.

DPD staff reviewed the amount of parking that was provided in recent years for office and mixed-use developments at other sites outside but near downtown. Staff found that parking ranged between 1.4 and 2.2 spaces per 1,000 square feet of floor area. When the Goodwill site was proposed to be redeveloped, the overall project was to include 1.65 spaces per 1,000 square feet, with the retail portion having about 2.0 spaces per 1,000 square feet.

Staff recommendation: Increase the parking maximum in the area east of I-5 to 1.5 parking spaces per 1,000 square feet of floor area for (a) general sales and service uses (which is what retail uses are called in the Land Use Code), and (b) eating and drinking establishments. Retain the maximum of 1 parking space per 1,000 square feet of floor area for other non-residential uses, including office, thereby continuing to discourage long-term (more than four hours) parking by employees. Under this recommendation, the three permit processes described above to provide additional parking would also continue to be available.

2. Space for small commercial businesses

Currently, the business districts of Little Saigon and Chinatown / ID are comprised of many small, family-owned businesses. Proposed South Downtown amendments would limit new retail spaces to a maximum of 25,000 square feet (50,000 square feet for a grocery store). Particularly for Little Saigon, some members of the public have suggested that the Council

consider requiring very small commercial spaces in new developments, similar to existing Land Use Code provisions for the Pike/Pine neighborhood of Capitol Hill (SMC 23.78.008).

For Pike/Pine, the code requires that in any new structure with more than 5,000 square feet of commercial uses at street level, one or more commercial spaces for individual businesses averaging 2,000 square feet or less in size must be provided. The number of such spaces that must be provided increases as the total amount of commercial space in a structure at street level increases. Table A for 23.78.008, copied below, shows the Pike/Pine regulations.

Table A for 23.78.008 Commercial space for small business establishments	
Total amount of square feet in commercial use at street level	Number of required commercial spaces for individual business establishments averaging 2,000 square feet or less in size
Up to 5,000 square feet	0
More than 5,000 square feet, up to 8,000 square feet	1
More than 8,000 square feet, up to 12,000 square feet	2
More than 12,000 square feet, up to 16,000 square feet	3
More than 16,000 square feet	4, plus one additional space for each additional 4,000 square feet above 16,000 square feet, up to a maximum of 8

A similar provision could be added to C.B. 117073 for South Downtown. Note that in some parts of South Downtown, there are already a relatively large number of *very* small businesses. For example, a 2006 survey of business size in Chinatown showed that 44% of businesses occupied 1,000 square feet or less, and an additional 16% occupied 1,001 square feet to 1,500 square feet.

Issues to consider include:

- How would such a requirement serve or detract from the business districts of South Downtown?
- Given that there are numerous very small businesses that already exist in some parts of South Downtown, is it desirable to require *additional* space for small businesses in new developments?
- If so, are the thresholds used in Pike/Pine (starting at 5,000 square feet of commercial use at street level) appropriate for South Downtown? Is the required size of a small-business space in Pike/Pine (2,000 square feet or less) appropriate for South Downtown?
- In what portions of South Downtown would it make sense to impose this requirement?

3. Larger open spaces rather than numerous small open spaces

Councilmembers have heard interest in exploring different approaches to open space provided by new developments in South Downtown. In particular, some members of the public have suggested that it would be preferable to have individual developers contribute toward a larger, common open space in a given neighborhood in South Downtown, rather than have a series of smaller, parcel-by-parcel open spaces.

The Land Use Code already includes several provisions that could lead to larger open spaces:

- Required open space for a downtown office development can be provided off-site, within ¼ mile of the project, or a developer can make a payment-in-lieu to the City.
- Under incentive zoning, a payment-in-lieu option is available for providing an open space amenity.
- An existing open space can transfer development rights or potential (TDR or TDP) to one or more receiving sites.

Each of these programs can already be used to contribute to larger open spaces. However, issues related to coordination, timing, limited availability of land, and the high cost of land in downtown complicate the funding of larger open spaces. For example, dollars generated from the payment-in-lieu option must be used within a specified time according to state statute, and open spaces created under these programs must be located near the associated development project to ensure a relationship between the open space and the project site.

There continues to be particular interest in identifying open space in the area east of I-5. The Department of Parks and Recreation (DPR) is currently working to identify land in Little Saigon for acquisition for a public park. Funding is provided via the Parks and Green Spaces Levy. DPR is working with a steering committee and local groups to identify potential sites.

4. Incentive zoning parameters and economic analysis

Councilmembers have received comments and heard testimony asking for additional review of the incentive zoning program and the economic analysis that accompanies it. Some commenters argue that the proposal does not provide enough economic incentive to stimulate development in the current recession. However, if key economic conditions are not in place (such as availability of financing and high enough rent levels for apartments), zoning alone, even if it allows greater height or density, cannot “jump start” new construction projects. The proposed zoning is intended to encourage development in South Downtown when market conditions make that possible.

COBE will discuss this issue further at a future committee meeting.

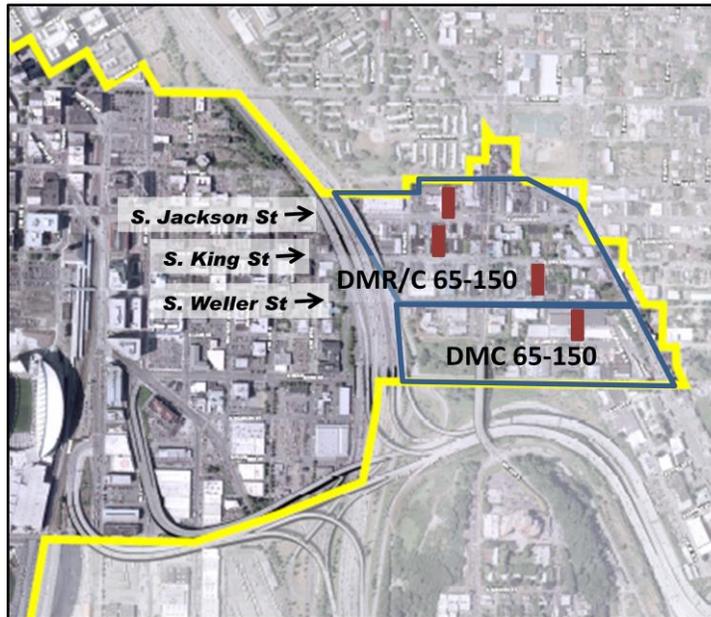
5. East of I-5, proposal to allow 150-foot height with mid-block corridor incentive

The proposed zoning east of I-5, in Little Saigon and the Dearborn corridor, would allow a development to exceed 85 feet in height to a maximum of 150 feet if certain conditions are met:

- the lot size is at least 40,000 square feet;
- all floor area above 65 or 85 feet (depending on the zone) is in residential use;
- the developer participates in the incentive zoning program; and
- the developer provides a mid-block corridor open space public amenity as part of participation in the incentive zoning program.

A mid-block corridor could be valuable in Little Saigon because many of the blocks are very long, and a mid-block corridor would constitute an additional pedestrian route in the neighborhood. A corridor could serve as an open space and pedestrian route for residents, other occupants of the development, and the public. Today, there are four locations in Little Saigon where land has been assembled into contiguous parcels of at least 40,000 square feet (see map below).

Parcels of at least 40,000 square feet in Little Saigon neighborhood currently eligible for 150-foot height and mid-block corridor



However, some people representing small business interests in Little Saigon have stated that buildings up to 150 feet in height would be too tall and out of scale with the neighborhood, and would result in retail rents too high for many small business owners to afford.

Concerns about scale and gentrification may be more pressing in the northern part of the area east of I-5, in and near the heart of the Little Saigon retail business district. They may be of less concern (or raise somewhat different issues) farther south, closer to the S. Dearborn Street corridor.

Staff recommendation: If Councilmembers want to revise this proposal, we recommend drawing a line at S. King Street, and allowing buildings up to a maximum height of 150 feet with a mid-block corridor only south of S. King Street. This would cap the height of buildings at 85 feet near the Little Saigon retail core centered at 12th and Jackson, while allowing taller buildings with a mid-block corridor farther south.

In addition, in the future under this option, a property owner with a parcel of qualifying size north of S. King Street could apply for a quasi-judicial rezone to the zone designation that allows a 150-foot building with a mid-block corridor. At the time of such an application, DPD and then the Council would evaluate the appropriateness of allowing the additional height for that specific parcel.

6. Hours of public accessibility for a mid-block corridor

Under DPD's proposal, a mid-block corridor that is built under the incentive zoning program would be required to be open to the public for a minimum of 10 hours per day.

Staff recommendation: Increase the hours of public access for a mid-block corridor to a minimum of 16 hours per day, including daylight hours as much as possible. This would match the existing hours that City-owned parks in the area are open (6 a.m. to 10 p.m.).