

Amend sections 53 and 58 of Council Bill 117603 to modify in-lieu payment requirements for projects in South Lake Union using extra residential and extra commercial floor area by making evenly tiered inflationary adjustments and by establishing an automatic annual inflationary adjustment. Amendments are shown in track changes.

Section 53. Section 23.58A.014 of the Seattle Municipal Code, last amended by Ordinance 123589 is amended as follows:

**23.58A.014 Bonus residential floor area for affordable housing((:))**

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C. Payment option. The payment option is available only where the maximum height for residential use under the provisions of the zone is more than 85 feet and only if the Director determines that the payment achieves a result equal to or better than providing the affordable housing on-site and the payment does not exceed the approximate cost of developing the same number and quality of housing units that would otherwise be developed; or for development of a single purpose commercial structure in zones with an incentive zoning suffix.

1. Amount of payments.

a. Except as provided in subsection 23.58A.014.C.1.b, ((H))-in lieu of all or part of the performance option, an applicant may pay to the City \$((18.94))15.15 per square foot of ((net))gross bonus residential floor area. ~~The City may accept real property in lieu of cash payments where the City Council has approved acceptance of the property through a development agreement with the property owner pursuant to RCW 36.70B.170 through RCW 36.70B.210.~~

b. In the South Lake Union Urban Center, in lieu of all or part of the performance option, an applicant may pay the City according to the following schedule:

- 1) From the effective date of Council Bill 117603 to December 31, 2013, \$16.12 per gross square foot of bonus residential floor area;

2) From January 1, 2014 to June 30, 2014, \$17.10 per gross square foot of bonus residential floor area;

3) July 1, 2014 to June 30, 2015, the sum of \$18.07 plus the product of \$18.07 per gross square foot of bonus residential floor area times the 2013 annual average change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index; and

4) On July 1, 2015 and on the same day annually thereafter the in-lieu payment amount in this subsection 23.58A.014.C.1.b shall automatically adjust in proportion to the change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index, from the time the in-lieu payment was last adjusted.

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Section 58. Section 23.58A.024 of the Seattle Municipal Code, last amended by Ordinance 123589 is amended as follows:

**23.58A.024 - Bonus nonresidential floor area for ~~((low-income))~~affordable housing and child care**

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~~((€))~~D. Payment ~~((Θ))~~option~~((;-))~~

1. Amount of payments.

a. Except as provided in subsection 23.58A.024.D.1.b, ~~In~~ in lieu of all or part of the performance option for ~~((low-income))~~affordable housing, an applicant may provide a cash contribution to the City of \$18.75 per gross square foot of bonus nonresidential floor area, if the Director of Housing determines that the payment achieves

a result equal to or better than providing the low-income housing on-site and the payment does not exceed the approximate cost of developing the same number and quality of housing units that would otherwise be developed. In lieu of all or part of the performance option for child care, the applicant may provide a cash contribution to the City of \$3.25 per gross square foot of bonus nonresidential floor area to be used for child care facilities, to be administered by the Human Services Department. The City may accept real property in lieu of cash payments where the City Council has approved acceptance of the property through a development agreement with the property owner pursuant to RCW 36.70B.170 through RCW 36.70B.210.

b. Affordable housing and child care in the South Lake Union Urban Center.

1) In lieu of payment of all or part of the performance option for affordable housing an applicant may provide a cash contribution to the City for affordable housing according to the following schedule:

a) From the effective date of Council Bill 117603 to December 31, 2013, \$20.82 per gross square foot of bonus nonresidential floor area;

b) From January 1, 2014 to June 30, 2014, \$22.88 per gross square foot of bonus nonresidential floor area;

c) July 1, 2014 to June 30, 2015, the sum of \$24.95 per gross square foot of bonus nonresidential floor area plus the product of \$24.95 per gross square foot of bonus nonresidential floor area times the 2013 annual average change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index; and

d) On July 1, 2015 and on the same day annually thereafter the in-lieu payment amount in this subsection 23.58A.024.D.1.b.1 shall automatically adjust in proportion to the change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index, from the time the in-lieu payment was last adjusted.

2) In lieu of all or part of the performance option for child care, an applicant may provide a cash contribution to the City to be used for child care facilities, to be administered by the Human Services Department, according to the following schedule:

a) From the effective date of Council Bill 117603 to December 31, 2013, \$3.61 per gross square foot of bonus nonresidential floor area;

b) From January 1, 2014 to June 30, 2014, \$3.97 per gross square foot of bonus nonresidential floor area;

c) July 1, 2014 to June 30, 2015, the sum of \$4.32 per gross square foot of bonus nonresidential floor area plus the product of \$4.32 per gross square foot of bonus nonresidential floor area times the 2013 annual average change in the Consumer Price Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index; and

d) On July 1, 2015 and on the same day annually thereafter the in-lieu payment amount in this subsection 23.58A.024.D.1.b.2 shall automatically adjust in proportion to the change in the Consumer Price

Index, All Urban Consumers, Seattle-Tacoma metropolitan area, All Items (1982-84 = 100), as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or successor index, from the time the in-lieu payment was last adjusted.

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Revised