

U DISTRICT PLANNING & REZONE



Agenda

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- Review: planning process, recommendations
- Continued discussion from 11/29: affordable housing requirements
- The Ave, small business concerns, possible solutions
- Public space improvements and policies



Community input

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- Extensive public engagement 2011-present: multiple related planning efforts and 90+ public events
- Rezone is one piece of a larger set of plans
- People view growth with both excitement and concern



Overview of the proposal

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1. Public investments in the U District
2. Zoning changes
3. New design requirements
4. Mandatory Housing Affordability requirements
5. Incentive programs: open space, preservation, childcare



PLUZ process

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- September 9th: Planning process overview, “what we’ve heard”, community partners
- September 20th: City investments in the U District, rezone map and heights, new design standards
- November 16th: Public hearing
- November 29th: Displacement, affordable housing, incentive zoning
- December 6th: Continued housing discussion, small business concerns, potential amendments, public space
- January 2017: amendments, deliberation



Displacement discussion

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- With or without zoning changes, somewhere between 40-275 units will be demolished. Various forces will continue to increase rents.
- Allowing taller, higher-density development in the neighborhood would accommodate more growth on fewer sites, potentially reducing demolitions.
- By increasing the total number of housing choices to help meet U District demand, the proposal helps reduce the rent increases that cause economic displacement.
- By implementing MHA requirements, the proposal ensures that new development contributes directly to affordable housing, expanding options for low-income people.

What is MHA?

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Part of a broader set of strategies:

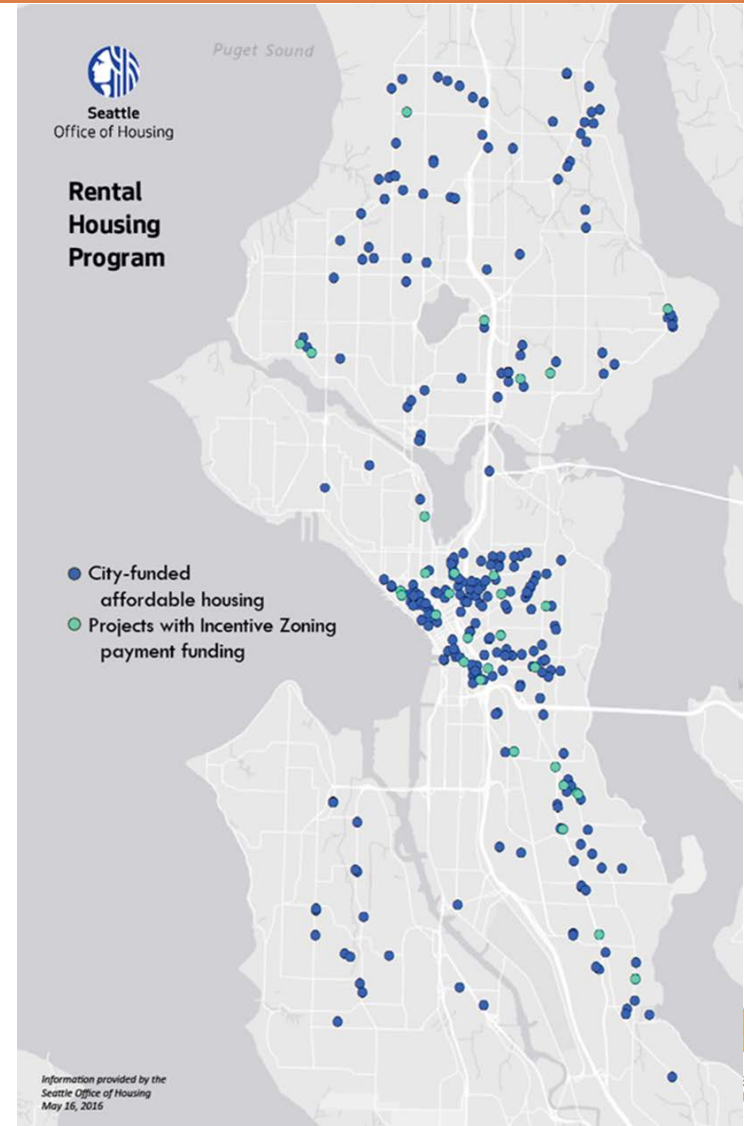
- All new multifamily and commercial development must either build affordable housing or pay into a fund
- Provides zoning increases to partially offset the cost of these requirements
- Increases housing choices
- A state-approved approach other local cities have used



How will we invest MHA payments across the city?

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- The MHA-R framework directs the City to consider the extent to which the housing would:
 - ▣ Affirmatively further fair housing choice
 - ▣ Be located within an urban center or village
 - ▣ Be located near frequent bus service or current or planned light rail or streetcar stops
 - ▣ Advance City policies to promote economic opportunity and community development, and address the needs of communities vulnerable to displacement
 - ▣ Be located near developments that generate cash contributions



MHA in the U District

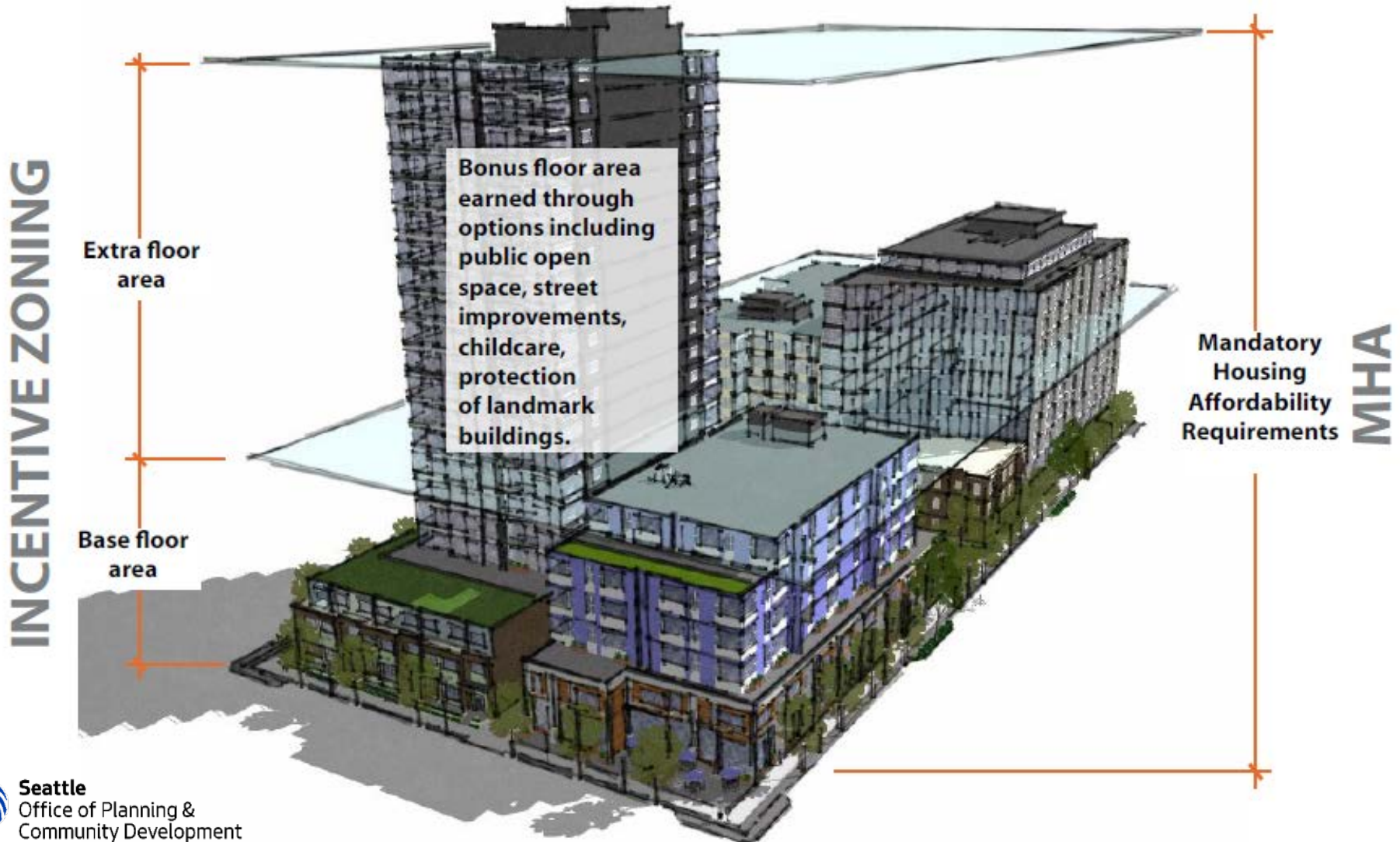
	Residential		Commercial	
	%	\$	%	\$
Highrise zones (240 and 320 ft zones)	9%	\$20.00	9%	\$20.00
Lowrise & midrise zones with (M1) suffix (LR, NC, and MR zones)	9%	\$20.00	8%	\$11.25
Mixed use on the Ave (SM-U 85)	6%	\$13.25	5%	\$7.00

MHA payment & performance examples

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Project example	Requirement	Performance outcome	Payment outcome
<p>7-story apartment building</p> <ul style="list-style-type: none"> • MR (M1) zone • 102 total homes • 80,000 gross residential square feet 	<p>9% or \$20 per sq. ft.</p>	<p>9.2 affordable homes</p>	<p>18 affordable homes (\$1.6M)</p>
<p>32-story residential tower</p> <ul style="list-style-type: none"> • SM-U 95-320 • 446 total homes • 350,000 gross residential square feet 	<p>9% or \$20 per sq. ft. + Incentive Zoning</p>	<p>40.1 affordable homes</p>	<p>78.7 affordable homes (\$7.0M)</p>
		<p>\$1.5M in TDR, open space, or combination</p>	

Incentive Zoning

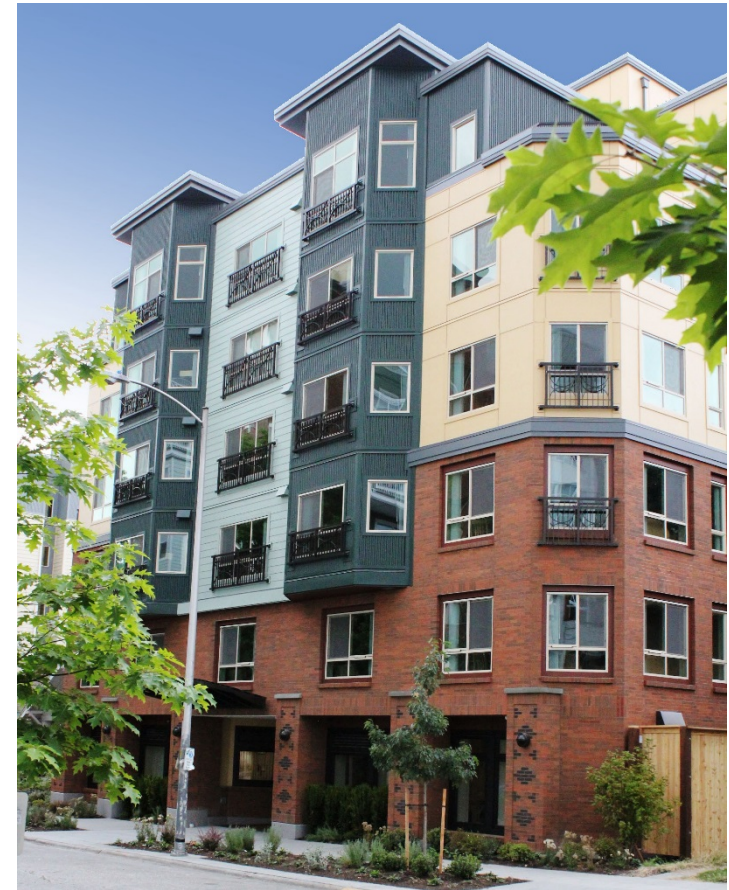


Outcomes

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Expected 20 year outcomes

- ▣ 3,500-5,000 new market-rate homes
- ▣ 3,000-4,800 new jobs
- ▣ 620-910 new affordable homes
- ▣ \$10-14 million in TDR, open space, and green street investments



Small business concerns

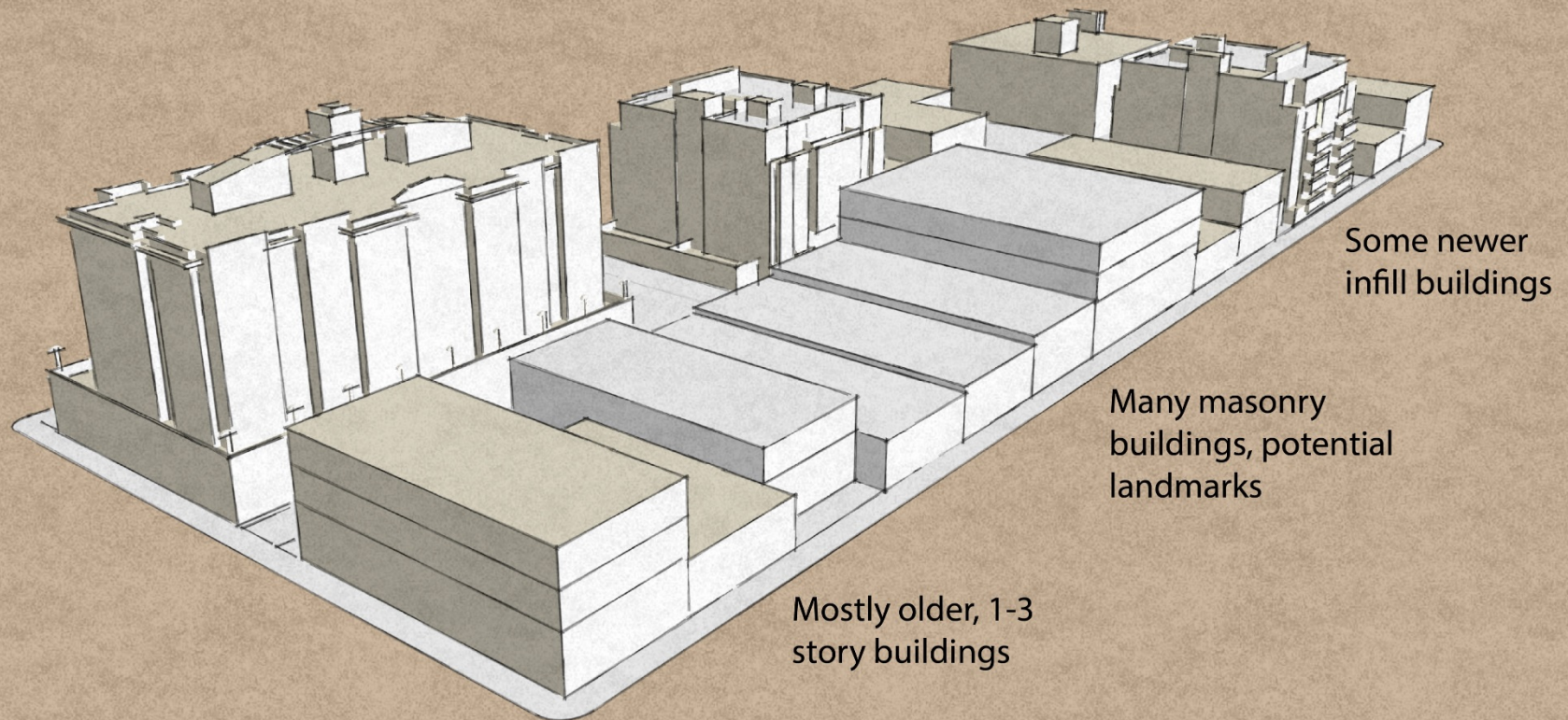
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Many worry that a rezone will worsen existing pressures:

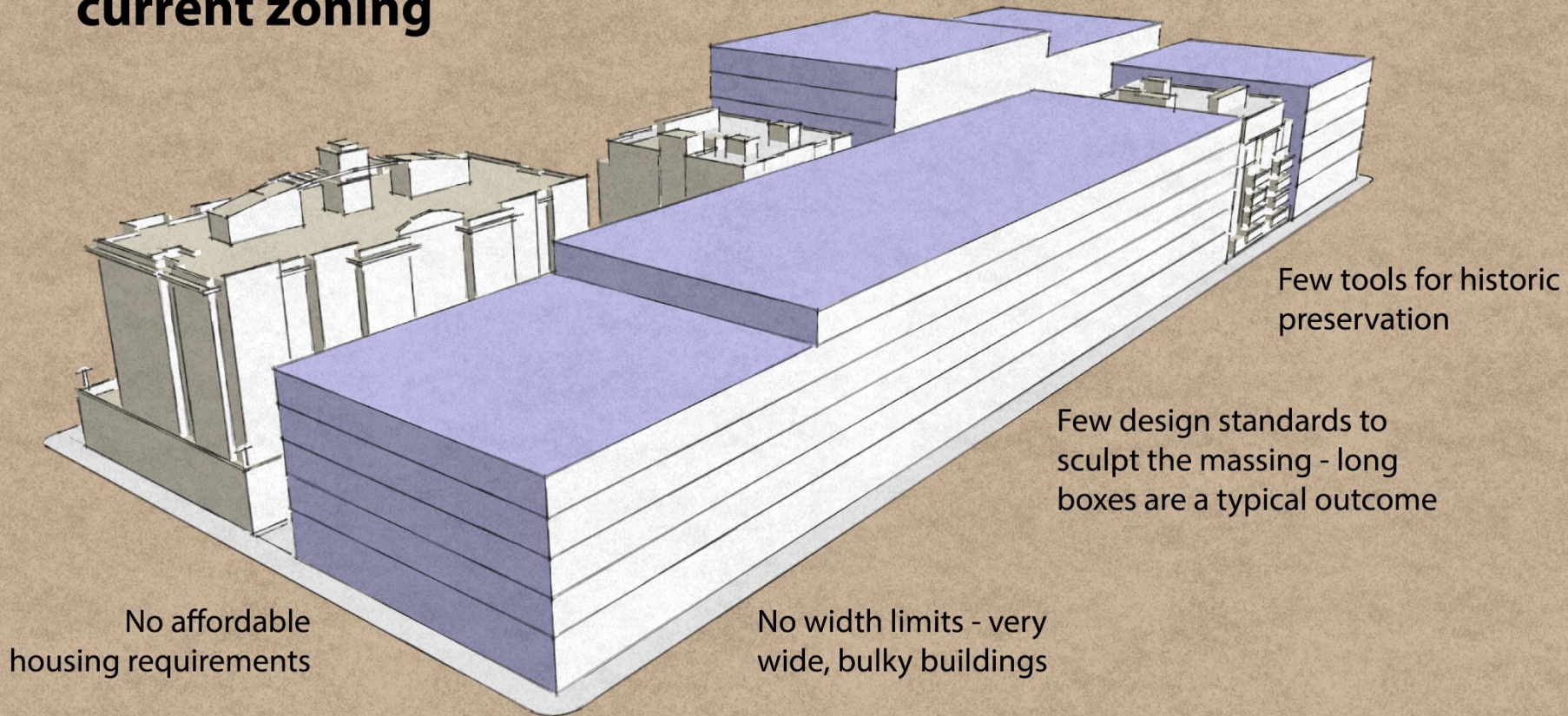
- Displacement of existing businesses by new development
- Loss of affordable commercial space through rising rents
- Losing the Ave's distinct character as a pedestrian shopping district



Ave: existing conditions (typical block)



Ave: redevelopment under current zoning



No affordable housing requirements

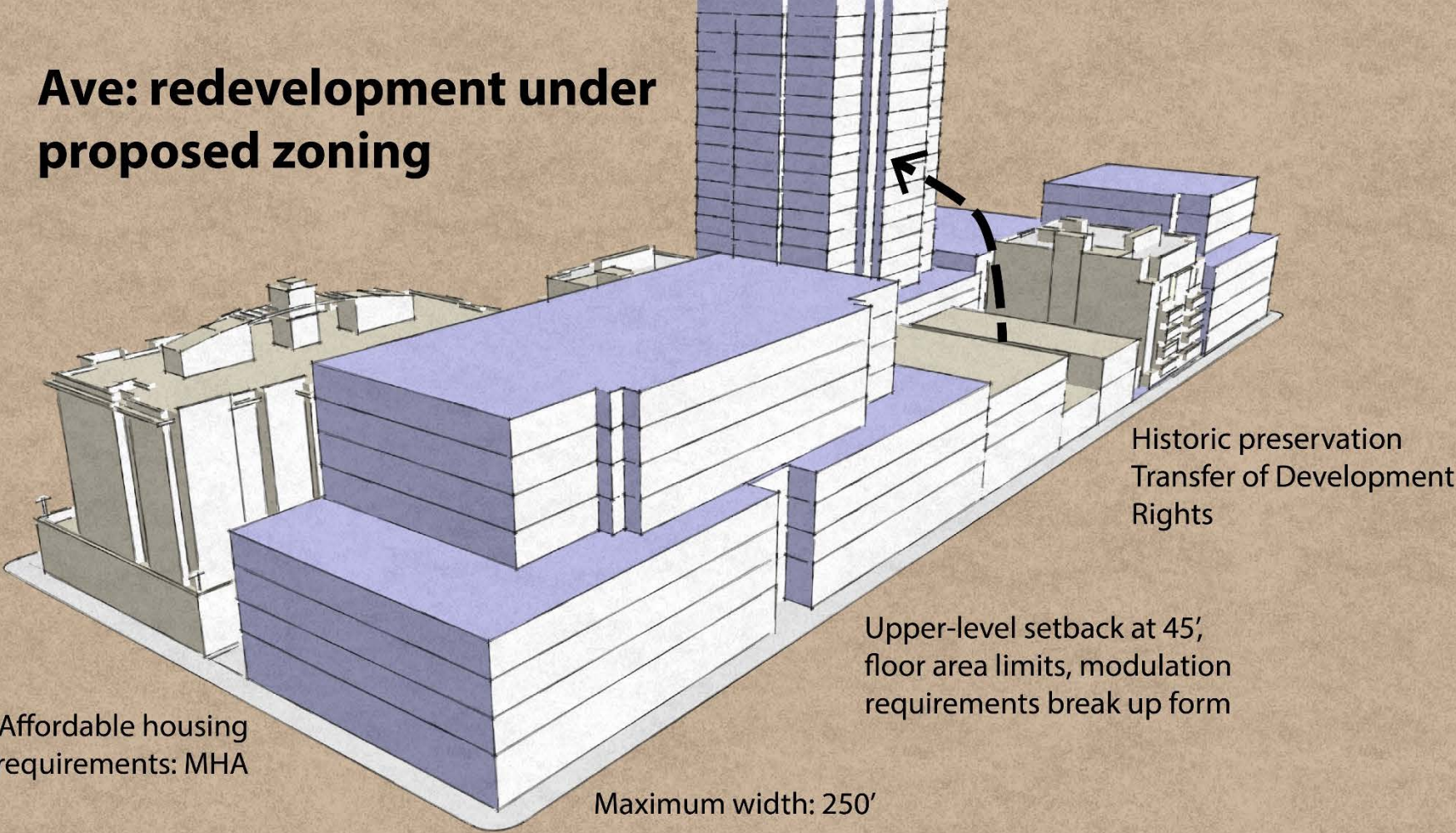
No width limits - very wide, bulky buildings

Few tools for historic preservation

Few design standards to sculpt the massing - long boxes are a typical outcome



Ave: redevelopment under proposed zoning



Historic preservation
Transfer of Development
Rights

Upper-level setback at 45',
floor area limits, modulation
requirements break up form

Affordable housing
requirements: MHA

Maximum width: 250'

Potential amendments to the proposal

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- Reduce maximum width to less than 250' along Ave
- Modify TDR program so that Ave can send but not receive development potential
- Reduce maximum height and floor area (need to study MHA impact)
- Design guidelines to encourage commercial bays 20' or 40' wide



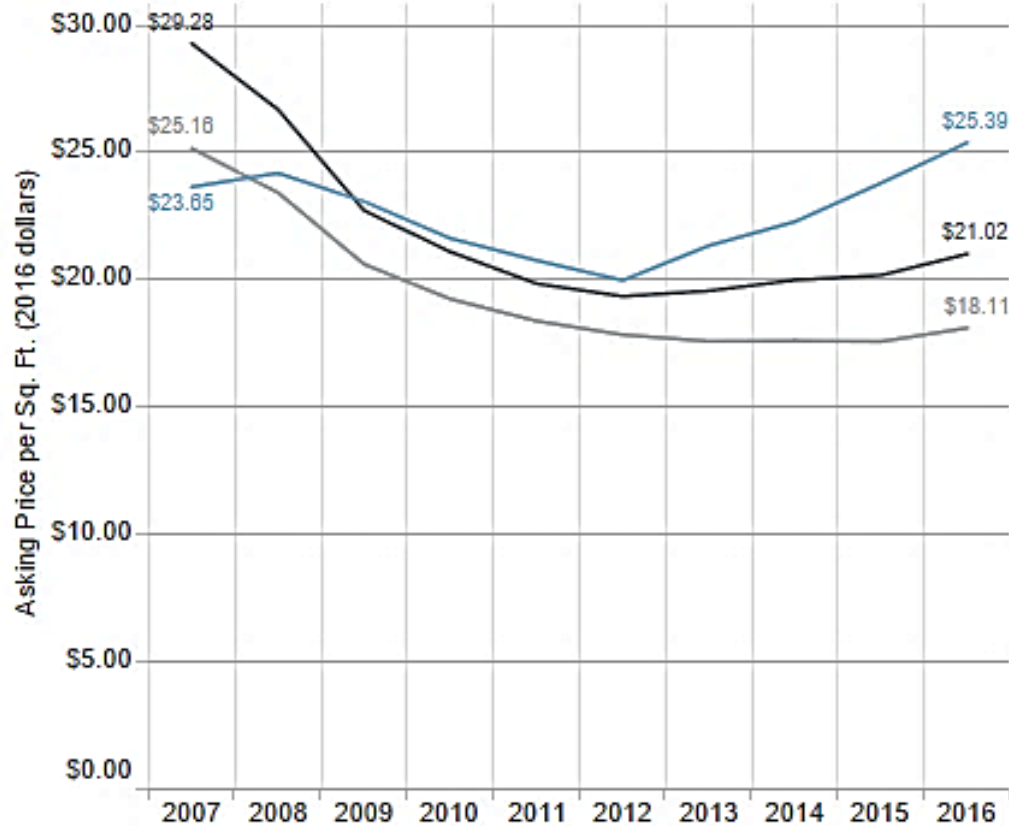


- Neighborhood Business District support
- Small Business Resources
 - ▣ Free business consulting
 - ▣ Business financing
 - ▣ One stop problem solving
 - City permitting, utilities
 - Restaurant Success
 - New laws affecting businesses

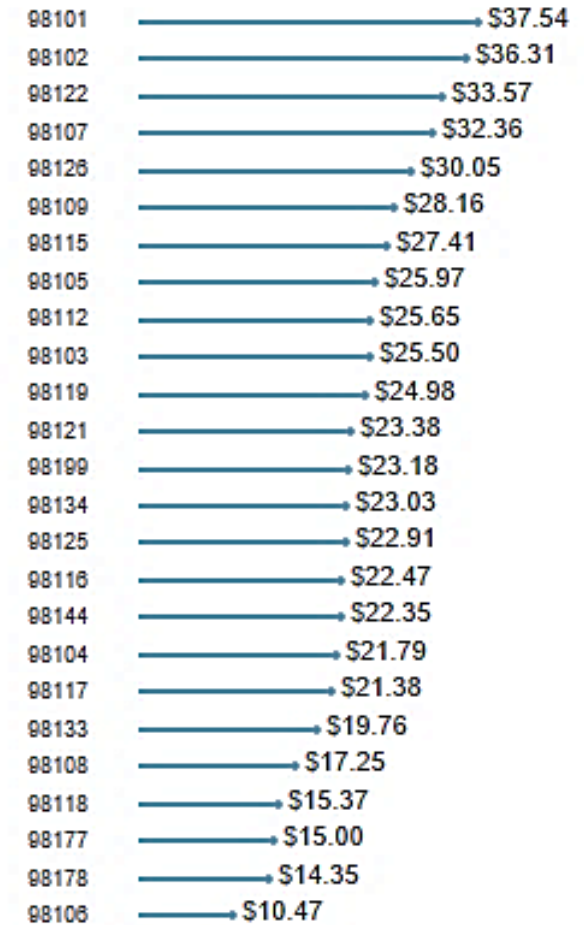


Commercial Affordability

Retail rent

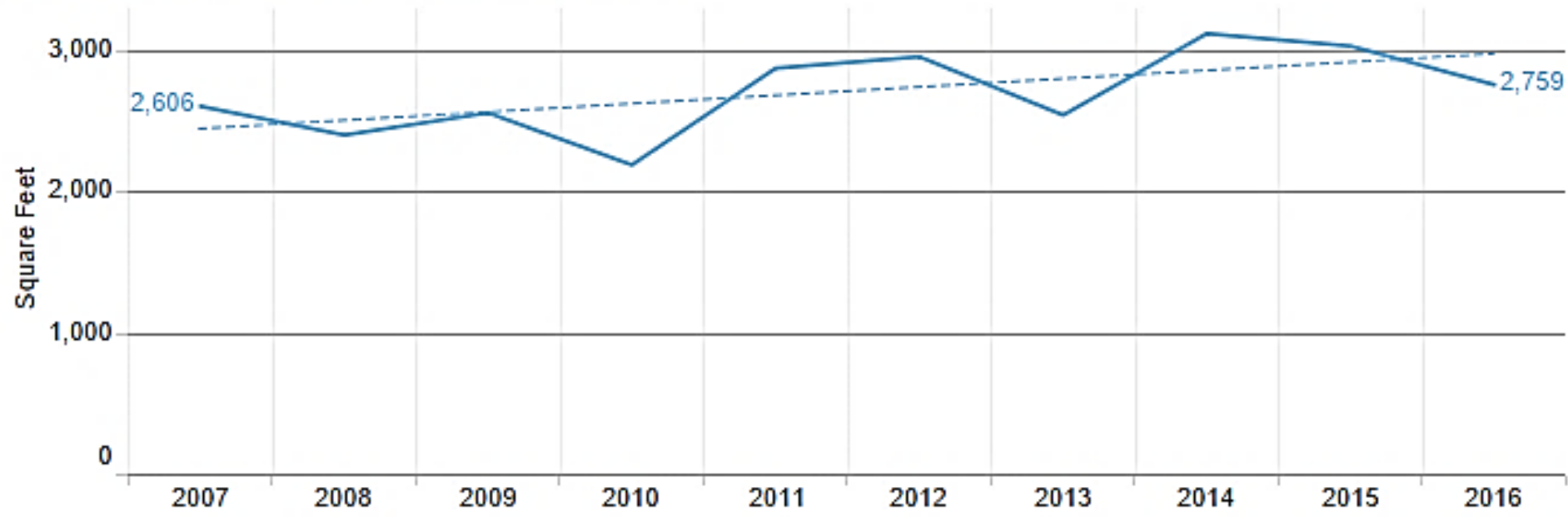


Retail rent by zip code



Source: CoStar

Average square footage per retail lease



Source: CoStar, author calculations

What does the future hold? A look at the smallest spaces available for rent in existing buildings versus those that will come online in the future reveals that small spaces may get even harder to come by. Using a threshold of 1,000 square feet -- the recommended size for a 5 to 6 chair hair salon -- we compared the number of small and large spaces available for lease in existing and future buildings.

Buildings with available retail space(s) under 1000 sq. ft.

Existing buildings



Buildings proposed, under construction, and under renovation



- Buildings without available spaces under 1,000 s.f.
- Buildings with available spaces under 1,000 s.f.

Commercial Affordability

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- Taskforce recommendations under review
- Commercial Affordability Consulting Team – available now
 - ▣ Designing smaller spaces
 - ▣ Project feasibility
 - ▣ Using development incentives
 - ▣ Business planning

Full Report: www.seattle.gov/economicdevelopment/business-owners/commercial-affordability



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Public space investments: Seattle Parks



Public space investments: Seattle Parks

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Christie Park expansion



University Heights Park

Public space investments: core

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Plaza at corner of 43rd and Brooklyn, as part of UW station site development (example photo)



Sound Transit to build festival street on Brooklyn – partner with farmer's market (example photo)

Public space investments: core

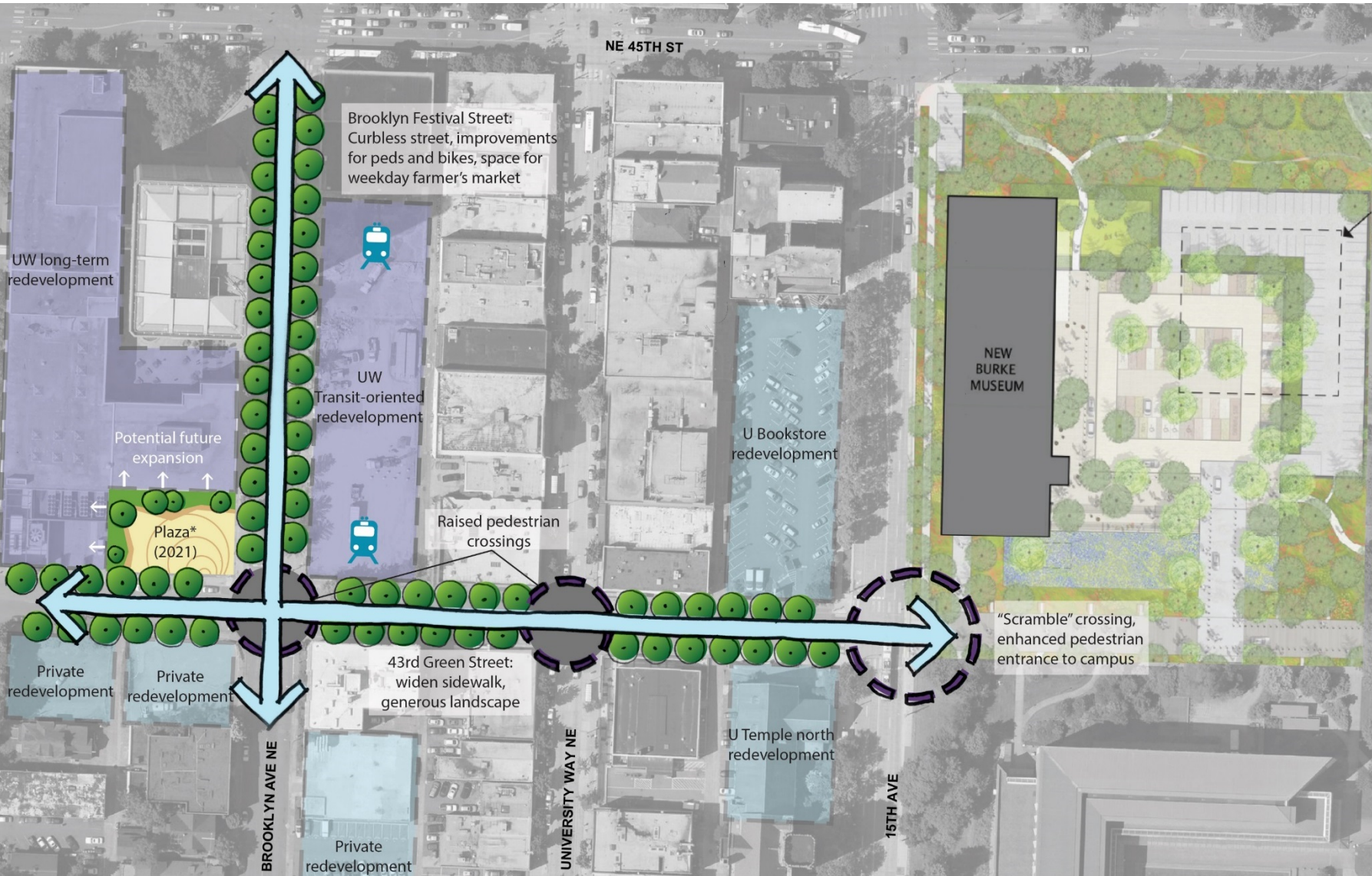
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SDOT to build substantial pedestrian improvements on NE 43rd, connecting light rail to Ave and campus



New Burke Museum will include public open space

Public space investments: core



*Required as part of UW's development at station site

Detailed background: www.seattle.gov/dpd/udistrict

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Seattle
Office of Planning &
Community Development

S. Bowler