

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

..title

AN ORDINANCE related to land use and zoning; establishing the Connected Community Development Partnership Bonus Pilot; and adding a new Section 23.40.090 to the Seattle Municipal Code.

..body

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The City finds:

A. In April 2021 the City published, *Market Rate Housing Needs and Supply Analysis*, which identified the following:

a. Approximately 46,000 Seattle households are cost burdened, meaning that those households spend more than half of their incomes on rent;

b. Housing supply is not keeping pace with demand;

c. Housing costs are increasing more quickly than income;

d. Seattle has insufficient zoned capacity for “missing middle” ownership housing;

e. The rental housing market has a shortage of housing affordable and available to lower income households;

f. Approximately 34,000 lower-wage workers commute more than 25 miles to Seattle demonstrating a latent demand for affordable workforce housing; and

g. As Seattle’s share of higher income households grows development of housing for those households increases economic and physical displacement of lower-income residents.

1           B.       With the passage of House Bill 1110, Seattle must modify current land use  
2 regulations to accommodate a range of middle housing types.

3           C.       The City is currently in the process of environmental review for the next  
4 major update to the Comprehensive Plan, which must meet the requirements of HB 1110.

5           D.       To inform future implementation of the Comprehensive Plan update, the  
6 City has an interest in exploring development pilots to demonstrate development types and  
7 partnerships that leverage community assets to provide equitable development that will not  
8 contribute to economic and physical displacement of current residents.

9           Section 2. A new Section 23.40.090 is added to the Seattle Municipal Code as follows:

10 **23.40.090 Connected Community Development Partnership Bonus Pilot**

11           A. This Section 23.40.090 establishes the requirements for the Connected Community  
12 Development Partnership Bonus Pilot. The purpose of the pilot is to demonstrate the social  
13 benefits of equitable development including community-serving uses and housing available to a  
14 spectrum of household incomes by setting onsite affordability standards and incentives for  
15 development of housing and equitable development uses through partnerships between public,  
16 private, and community-based organizations.

17           B. Requirements and eligibility

18           1. Definitions. For the purposes of this Section 23.40.090, the following  
19 definitions apply:

20           “Equitable development use” means activities where all components and  
21 subcomponents of the use provide mitigation against displacement pressure for individuals,  
22 households, businesses, or institutions that comprise a cultural population at risk of  
23 displacement. An equitable development use can include but is not limited to activities such as

1 gathering space, arts and cultural space, educational programming or classes, direct services, job  
2 training, or space for other social or civic purposes. Equitable development uses may include  
3 commercial uses including but not limited to commercial kitchens and food processing, craft  
4 work and maker spaces, cafes, galleries, co-working spaces, health clinics, office spaces, and  
5 retail sales of food and goods.

6 “Owned or controlled” means that a qualifying community development  
7 organization has a legally established and ongoing property-related interest in a property as  
8 demonstrated by:

- 9 a. Ownership of at least 51 percent of an incorporated owner;
- 10 b. Ownership of at least 10 percent of an incorporated owner when a  
11 partner in an entity provides site control for development;
- 12 c. A controlling and active management role in a corporation or  
13 partnership that owns a property, such as a sole managing member of a limited liability company  
14 or sole general partner of a limited partnership; or
- 15 d. Some other beneficial interest allowing the organization to act as  
16 applicant.

17 “Qualifying community development organization” means a non-profit  
18 organization registered with the Washington Secretary of State or a Public Development  
19 Authority created pursuant to Revised Code of Washington Section 35.21.730, that has as its  
20 purpose the creation or preservation of affordable State or Federally subsidized housing, social  
21 housing, or affordable commercial space, affordable arts space, community gathering spaces, or  
22 equitable development uses. A qualifying community development organization can consist of a

1 partnership among one or more qualifying community development organizations or one or more  
2 qualifying community development organizations and a partnering development entity.

3 “Social housing” means housing in a residential or mixed-use structure with at  
4 least 30 percent of the dwelling units affordable to households with incomes no higher than 80  
5 percent of area median income that is developed, publicly owned, and maintained in perpetuity by  
6 a public development authority, the charter for which specifies that its purpose is development of  
7 social housing and at a range of affordability levels within the Seattle corporate limits. Social  
8 housing is intended to promote social cohesion, sustainability, and social equity through an  
9 intentional distribution of units to households with a broad mix of sizes and incomes ranging  
10 between 0 percent and 120 percent of median income.

11 2. Enrollment period. The enrollment period for the Connected Community  
12 Development Partnership Bonus Pilot expires when applications meeting the requirements of this  
13 Section 23.40.090 have been submitted for 35 projects or 2029, whichever is earlier.

14 3. Site and use requirements. Eligible development must:

15 a. Be on property owned or controlled by a qualifying community  
16 development organization at the date of the permit application;

17 b. For development in commercial zones, have at least 75 percent of gross  
18 floor area in residential or equitable development use; and

19 c. Not be located in a designated historic district, except those established  
20 in areas with historical exclusionary racial covenants.

21 4. Affordable housing requirements. Eligible development shall fulfill one of the  
22 following criteria:

1 a. 30 percent of dwelling units and 33 percent of congregate residence  
2 sleeping rooms, as applicable, are moderate-income units, except that the duration of the  
3 recorded restrictive housing covenants shall be 75 years; or

4 b. All housing is social housing as defined in subsection 23.40.090.B.1.

5 5. Owner unit incentive. Applicants seeking to utilize the owner unit incentive  
6 shall:

7 a. Provide an affidavit or other information in a form acceptable to the  
8 Director confirming that the site is owned by a person or persons who continually resided in a  
9 dwelling unit on the site for the past 10 years with a current household income not exceeding 120  
10 percent of area median income; and

11 b. Provide an executed partnership agreement or other binding contractual  
12 agreement affirming the applicant's obligation to provide a dwelling unit on-site for the current  
13 owner at no cost and prohibiting resale or sublet by the owner for at least 10 years.

14 6. Exemptions. Eligible development is exempt from the requirements of Chapter  
15 23.41, Design Review; Chapter 23.58A, Incentive Provisions; Chapter 23.58B, Affordable  
16 Housing Impact Mitigation Program for Commercial Development; and Chapter 23.58C,  
17 Mandatory Housing Affordability for Residential Development.

18 E. Alternative development standards. In lieu of otherwise applicable development  
19 standards contained in Chapters 23.44, 23.45, 23.47A, and 23.48, a proposed development that  
20 meets the requirements of this Section 23.40.090 may elect to meet the alternative development  
21 standards, as applicable, of this subsection 23.40.090.D.

22 1. Development otherwise subject to the requirements of Ch 23.44 –  
23 Neighborhood Residential

1 a. Proposed development may meet the following development standards:

2 1) The minimum lot area per dwelling unit is 1,500 square feet in  
3 NR1, NR2, and NR3 zones and 1,200 square feet in RSL zones.

4 2) The maximum lot coverage is 50 percent of lot area in NR1,  
5 NR2, and NR3 zones and 65 percent in RSL zones.

6 3) The maximum FAR limit is 1.0 in NR1, NR2, and NR3 zones  
7 and 1.25 in RSL zones. The applicable FAR limit applies to the total chargeable floor area of all  
8 structures on the lot.

9 b. Owner unit incentive. Proposed development on lots providing an  
10 owner unit may meet the following development standards:

11 1) The maximum lot coverage is 60 percent of lot area in NR1,  
12 NR2, and NR3 zones and 75 percent in RSL zones.

13 2) The maximum FAR limit is 1.25 in NR1, NR2, and NR3 zones  
14 and 1.5 in RSL zones. The applicable FAR limit applies to the total chargeable floor area of all  
15 structures on the lot.

16 c. Permitted uses. In addition to the uses listed in Section 23.44.006, the  
17 following uses are permitted outright on lots meeting the requirements of this Section 23.40.090:  
18 apartments, cottage housing development, rowhouse development, townhouse development, and  
19 equitable development.

20 e. Setback requirements. No structure shall be closer than 5 feet from any  
21 lot line.

22 2. Development otherwise subject to the requirements of Ch 23.45 - Multifamily.

23 a. Floor area

1 1) Development permitted pursuant to Section 23.40.090 is subject  
2 to the FAR limits as shown in Table A.

**Table A for 23.40.090**  
**FAR limits for development permitted pursuant to Section 23.40.090**

	<b>FAR limit</b>	<b>FAR limit in Areas with Racially Restrictive Covenants or Areas Eligible for Community Preference Policy</b>	<b>Maximum additional exempt FAR<sup>1</sup></b>	<b>Owner unit incentive</b>
LR1	1.6	1.7	0.5	0.3
LR2	1.8	1.9	1.0	0.5
LR3 outside urban centers and urban villages	2.5	2.7	1.0	0.5
LR3 inside urban centers and urban villages	3.0	3.3	1.0	0.5
MR	5.6	5.8	1.0	0.5

Footnote to Table A for 23.40.090

<sup>1</sup> Gross floor area for uses listed in subsection 23.40.090.D.3.b.2 are exempt from FAR calculations up to this amount.

3  
4 2) In addition to the FAR exemptions in subsection 23.45.510.D,  
5 an additional FAR exemption up to the total amount specified in Table A for 23.40.090 is  
6 allowed for any combination of the following floor area:

- 7 a) Floor area in units with two or more bedrooms and a  
8 minimum net unit area of 850 square feet;  
9 b) Floor area in equitable development use; and

1 c) Any floor area in a development located within 1/4 mile  
2 (1,320 feet) of a transit stop or station served by a frequent transit route as defined in subsection  
3 23.54.015.B.4.

4 3) Split-zoned lots

5 a) On lots located in two or more zones, the FAR limit for  
6 the entire lot shall be the highest FAR limit of all zones in which the lot is located, provided that:

7 i. At least 65 percent of the total lot area is in the  
8 zone with the highest FAR limit;

9 ii. No portion of the lot is located in an NR1, NR2,  
10 or NR3 zone; and

11 iii. A minimum setback of 10 feet applies for any  
12 lot line that abuts a lot in an NR1, NR2, or NR3 zone.

13 b) For the purposes of this subsection 23.40.090.D.2, the  
14 calculation of the percentage of a lot or lots located in two or more zones may include lots that  
15 abut and are in the same ownership at the time of the permit application.

16 b. Maximum height

17 1) Development permitted pursuant to Section 23.40.090 is subject to the  
18 height limits as shown in Table B for 23.40.090.

<b>Table B for 23.40.090</b>	
<b>Structure height for development permitted pursuant to Section 23.40.090</b>	
<b>Zone</b>	<b>Height limit (in feet)</b>
LR1	40
LR2	50
LR3 outside urban centers and urban villages	55
LR3 inside urban centers and urban villages	65



**Table B for 23.40.090**  
**Structure height for development permitted pursuant to Section 23.40.090**

<b>Zone</b>	<b>Height limit (in feet)</b>
MR	95

- 1 2) Split-zoned lots
- 2 a) On lots located in two or more zones, the height limit for
- 3 the entire lot shall be the highest height limit of all zones in which the lot is located, provided
- 4 that:
- 5 i. At least 65 percent of the total lot area is in the
- 6 zone with the highest height limit;
- 7 ii. No portion of the lot is located in an NR1, NR2,
- 8 or NR3; and
- 9 iii. A minimum setback of 10 feet applies for any
- 10 lot line that abuts a lot in an NR1, NR2, or NR3 zone.
- 11 b) For the purposes of this subsection 23.40.090.D.2, the
- 12 calculation of the percentage of a lot or lots located in two or more zones may include lots that
- 13 abut and are in the same ownership at the time of the permit application.
- 14 c. Maximum density. Development permitted pursuant to Section
- 15 23.40.090 is not subject to the density limits and family-size unit requirements of Section
- 16 23.45.512.
- 17 3. Development otherwise subject to the requirements of Ch. 23.47A -
- 18 Commercial
- 19 a. Maximum height

1 1) The applicable height limit for development permitted pursuant  
2 to Section 23.40.090 in NC zones and C zones as designated on the Official Land Use Map,  
3 Chapter 23.32 is increased as shown in Table C for 23.40.090.

<b>Mapped height limit (in feet)</b>	<b>Height limit (in feet)</b>
30	55
40	75
55	85
65	95
75	95
85	145
95	145

4 2) Split-zoned lots  
5 a) On lots located in two or more zones, the height limit for  
6 the entire lot shall be the highest height limit of all zones in which the lot is located, provided  
7 that:  
8 i. At least 65 percent of the total lot area is in the  
9 zone with the highest height limit;  
10 ii. No portion of the lot is located in an NR1, NR2,  
11 or NR3; and  
12 iii. A minimum setback of 10 feet applies for any  
13 lot line that abuts a lot in an NR1, NR2, or NR3 zone.  
14 b) For the purposes of this subsection 23.40.090.d.3, the  
15 calculation of the percentage of a lot or lots located in two or more zones may include lots that  
16 abut and are in the same ownership at the time of the permit application.

b. Floor area

1) Development permitted pursuant to Section 23.40.090 is subject to the FAR limits as shown in Table D for 23.40.090.

**Table D for 23.40.090**  
**FAR limits for development permitted pursuant to Section 23.40.090**

Mapped height limit (in feet)	FAR limit	FAR limit in Areas with Racially Restrictive Covenants or Areas Eligible for Community Preference Policy	Maximum additional exempt FAR <sup>1</sup>	Owner unit incentive
30	3.00	3.25	0.5	0.5
40	3.75	4.00	1.0	0.5
55	4.75	5.00	1.0	0.5
65	4.50	5.75	1.0	0.5
75	5.50	6.00	1.0	0.5
85	7.25	7.50	2.0	0.5
95	7.50	7.75	2.0	0.5

Footnote to Table A for 23.40.090  
<sup>1</sup> Gross floor area for uses listed in subsection 23.40.090.D.3.b.2 are exempt from FAR calculations up to this amount.

2) In addition to the FAR exemptions in subsection 23.47A.013.B, an additional FAR exemption up to the total amount specified in Table D for 23.40.090 is allowed for any combination of the following floor area:

- a) Floor area in units with two or more bedrooms and a minimum net unit area of 850 square feet;
- b) Floor area in equitable development use; and
- c) Any floor area in a development located within 1/4 mile (1,320 feet) of a transit stop or station served by a frequent transit route as defined in subsection 23.54.015.B.4.

1 3. Split-zoned lots

2 a) On lots located in two or more zones, the FAR limit for  
3 the entire lot shall be the highest FAR limit of all zones in which the lot is located, provided that:

4 i. At least 65 percent of the total lot area is in the  
5 zone with the highest FAR limit;

6 ii. No portion of the lot is located in an NR1, NR2,  
7 or NR3 zone; and

8 iii. A minimum setback of 10 feet applies for any  
9 lot line that abuts a lot in an NR1, NR2, or NR3 zone.

10 b) For the purposes of this subsection 23.40.090.D.3, the  
11 calculation of the percentage of a lot or lots located in two or more zones may include lots that  
12 abut and are in the same ownership at the time of the permit application.

13 c. Upper-level setback. An upper-level setback of 8 feet from the lot line is  
14 required for any street-facing facade for portions of a structure exceeding the mapped height  
15 limit designated on the Official Land Use Map, Chapter 23.32.

16 4. Development otherwise subject to the requirements of Ch 23.48 - Seattle  
17 Mixed.

18 a. Maximum height. The applicable maximum height limit for residential  
19 uses in development permitted pursuant to Section 23.40.090 in Seattle Mixed zones is increased  
20 by the following amounts:

21 1) For zones with a mapped maximum height limit of 85 feet or  
22 less, 20 feet.



1 (a) On lots located in two or more zones, the FAR limit for  
2 the entire lot shall be the highest FAR limit of all zones in which the lot is located, provided that:

3 i. At least 65 percent of the total lot area is in the  
4 zone with the highest FAR limit;

5 ii. No portion of the lot is located in an NR1, NR2,  
6 or NR3 zone; and

7 iii. A minimum setback of 10 feet applies for any  
8 lot line that abuts a lot in an NR1, NR2, or NR3 zone.

9 (b) For the purposes of this subsection 23.40.090.D.3, the  
10 calculation of the percentage of a lot or lots located in two or more zones may include lots that  
11 abut and are in the same ownership at the time of the permit application.

12 Section 3. The Council requests that the Director of the Seattle Department of  
13 Construction and Inspections, in consultation with the Directors of the Office of Housing, Office  
14 of Economic Development, the Department of Neighborhoods, the Office of Planning and  
15 Community Development, and the Equitable Development Initiative Advisory Board,  
16 promulgate a list of qualifying community development organizations, meeting the definition in  
17 Section 23.40.090.B.1, eligible for participation in the Connected Community Development  
18 Partnership Bonus Pilot Program by May 31, 2024. A qualifying community development  
19 organization can consist of a partnership between a qualifying community development  
20 organization and one or more community development organizations that do not have as their  
21 purpose the creation or preservation of affordable State or Federally subsidized housing, social  
22 housing, or affordable commercial space, affordable arts space, community gathering spaces, or  
23 equitable development uses. Partnering community development organizations could include

1 incorporated entities that advocate or provide services for refugees, immigrants, communities-of-  
2 color, members of the LGBTQIA communities, members of the community experiencing  
3 homelessness, and persons at risk of economic displacement. Partnering community  
4 development organizations could also include community-based organizations eligible for the  
5 new Jumpstart Acquisition and Preservation Program, which was added to the Housing Funding  
6 Policies through Ordinance 126611.

7           Section 4. The Council intends to seek funding for the Connected Community  
8 Development Partnership Bonus Pilot Program. That funding will include (1) appropriations to  
9 administer the program, (2) sources of subsidy for applicants participating in the program, and  
10 (3) funding for program participants to develop the capacity to maintain and operate  
11 development permitted pursuant to the program. By 2029, the Council will evaluate the pilot to  
12 assess its effectiveness in achieving the following objectives:

- 13           A. Providing affordable workforce housing for communities and households that  
14           are cost-burdened;
- 15           B.     Providing neighborhood-serving equitable development uses;
- 16           C.     Forestalling or preventing economic and physical displacement of current  
17           residents; and
- 18           D.     Demonstrating a variety of missing-middle housing types that are  
19           affordable to households with a range of household incomes;

20           Section 5. This ordinance shall take effect and be in force 30 days after its approval by  
21 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
22 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

1 Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2024,

2 and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of

3 \_\_\_\_\_, 2024.

4 \_\_\_\_\_

5 President \_\_\_\_\_ of the City Council

6 Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

7 \_\_\_\_\_

8 Bruce A. Harrell, Mayor

9 Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

10 \_\_\_\_\_

11 Scheereen Dedman, City Clerk

12 (Seal)

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Attachments: