

**MEETING MATERIALS ADDENDUM**  
**MEETING HANDOUT (NOT IN ORIGINAL PACKET)**

# Multi-Family Housing Design Standards Update Work Session: Development Incentives



Planning Commission  
May 1, 2018

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## Discussion Items

*PURPOSE: Introduce multi-family  
development incentives in the SeaTac context*

### **AGENDA**

#### **1) Recap Project to Date**

#### **2) Work Session:**

- Review existing incentives (*including what makes SeaTac very different from other cities*)
- Consider policy guidance on incentives
- Discuss next steps for updating incentives

#### **3) Anticipated Schedule**

## Project Recap: PC Reviews to Date

### PRELIMINARY CODE REVIEW PROCESS

#### ✓ Site Planning

- Building Placement/Orientation, Circulation
- Recreation Space, Landscaping, Parking

#### ✓ Building Design

- Development Incentives (today)

### FINAL CODE REVIEW PROCESS (starting next meeting)

- Site Planning & Building Design

- “Special” Requirements:

- Mixed Use Standards, Overlay District Standards & Development Incentives

## Development Incentives

(See Exhibit B-1: Matrix)

### Types of Incentives:

- Tax Incentives
- Financial/Economic Incentives
- Regulatory Incentives
  - **Bonus/Incentive Programs:** Bonuses or reductions in exchange for a public benefit

*Note: Code “departures” or “variances” are NOT incentives, but tools that can allow for flexibility within the code*

## Development Incentives (cont.)

### Tax Incentives:

#### **Multi-Family Tax Exemption (SMC 3.85)**

- **8-Year Exemption:** On improvements (not land)
- **12-Year Exemption:** On improvements (not land) & requires a minimum 20% of affordable housing units

Currently Designated Areas in SeaTac: Applies only to parcels within S 154<sup>th</sup> St Station Area

## Development Incentives (cont.)

### Financial/Economic Incentives:

- **Public/Private Partnerships:** Catalyst projects
- **City Funding:** Land banking, Infrastructure development

#### Examples:

- **Land Banking:** City ownership of SeaTac Center (S 154<sup>th</sup>)
- **Infrastructure Improvements:** Sidewalk construction, road improvements, park development
  - “Connecting 24<sup>th</sup>-28<sup>th</sup> Project” & improving circulation in the Angle Lake Station Area

## Development Incentives (cont.)

### **Regulatory Incentives** (bonus/incentive programs):

**Purpose:** Provide development incentives in exchange for public benefits

- **Bonuses:** Usually, increases in density/number of units & building height (& lot coverage)
- **Reductions in Requirements:** Usually reductions in parking, landscaping and recreation/open space

#### Examples of Public Benefits Provided in Exchange:

- *Public open space/plazas, pedestrian corridors*
- *Underground parking, senior housing & housing for various incomes*

## SeaTac Multi-Family Incentives

### **Exhibit B-2: Multi-Family Chapter (SMC 15.510)**

*Purpose:* To encourage types of development that are beneficial for the community, or for which there is a particular need.

	INCENTIVES/BONUS	PUBLIC BENEFITS
<b>Density Incentives</b>	Up to 30% in total units	<ul style="list-style-type: none"> <li>• Outdoor Recreation/Open Space</li> <li>• Underground Parking</li> <li>• Mixture of Unit Sizes</li> <li>• Senior Housing</li> <li>• Condominium/Owner-Occupied Housing</li> <li>• Architectural Design</li> </ul>
<b>Height Incentives</b>	Up to 15' increase in building height	

## SeaTac Multi-Family Incentives

**Exhibit B-3: Development Incentives (SMC 15.425)**

*Purpose:* To provide density incentives to developers of residential and commercial lands **in exchange for providing public benefits that help achieve Comprehensive Plan goals for:**

- **Affordable Housing**
- **Historic Preservation**
- **Energy Conservation**
- **Economic Redevelopment** (pedestrian-oriented building & streetscape design & amenities)

## SeaTac Multi-Family Incentives

**Exhibit B-3: Development Incentives (SMC 15.425)**

	Bonus Maximum	Type of Bonus
<b>Residential Density Incentive</b>	Up to 130% of base density of underlying zone	Bonus dwelling units per public benefit provided
<b>Commercial Density Incentives</b>	<i>(per chart in code)</i>	<b>Increases:</b> <ul style="list-style-type: none"> <li>• Lot Coverage</li> </ul> <b>Reductions:</b> <ul style="list-style-type: none"> <li>• Landscaping</li> <li>• Parking</li> </ul>

# SeaTac Multi-Family Incentives

## **Exhibit B-1: Development Incentives**

*SMC 15.515 Special Standards RBX, CB-C, UH-UCR & O/CM Zones*

### **Lot Coverage Bonuses**




- Park Fund
- Child Care
- Art Exhibit Area
- Transit Center
- Structured Parking
- Mobile Home Relocation Assistance

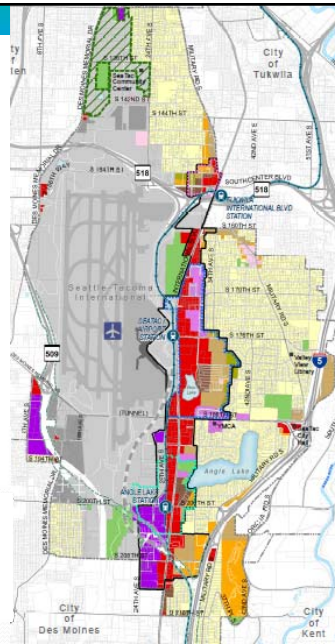
### **SMC 15.455.140 Parking Reductions for Uses Adjacent to Transit**

- Residential: 10% max.
- Commercial: 35% max.
- Government/business/manufacturing: 40% max.
- Recreation/culture/retail/wholesale/general service: 30% max.

## **Development Incentives & What makes SeaTac SO different?**

***SUPER-SIZED ZONING INCENTIVES!***  
***No density or height limits\*\*\****  
*(except for FAA) in highest intensity commercial & residential zones:*

-  Residential High Mixed Use
-  Commercial High
-  Regional Business Mix








**\*\*\*** Which means SeaTac height/density bonuses aren't useful

## Development Incentives & Zones with Limited Height/Density

### Current Height Limits\*\*\*:

- Range from 35' to 55' max.

-  Commercial Low
-  Residential Medium Density
-  Office/Commercial/Mixed Use
-  Commercial Medium
-  Residential High Density



\*\*\* Which means SeaTac height/density bonuses could be useful

## Policy Guidance on Incentives

### Land Use Policy 2.1A:

- Implement the City Center, South 154<sup>th</sup> Street Station Area and Angle Lake Station Area Plans to
  - **focus the majority of SeaTac's commercial and residential growth and redevelopment into three distinct complete communities within SeaTac's designated Urban Center.**

\*\*\**Policy Takeaway: Incentivize multi-family development within the overlay districts*

## Policy Guidance on Incentives (cont.)

### Desired Public Benefits (Summary)

*Land Use & Community Design Policies & City Center & Station Area Plans:*

- **Housing:** Diverse housing opportunities, various incomes, larger & smaller apartments
- **Circulation:** Improved connectivity (esp. pedestrian), through-block access, walking/bicycling
- **Open Space & Public Parking & Streetscape Amenities**
- **Building:** Enhanced design, art, structured parking
- **Mix of Uses:** Ground floor retail & services (esp. neighborhood-oriented)

*\*\*\*Policy Takeaway: Encourage provision of public benefits identified in Comprehensive Plan & Subarea Plans*

## Next Steps for Updating Multi-Family Regulatory Incentives

### Bonus/Incentive Programs Ideas:

- Consider refinements to better address public benefits identified in Comprehensive Plan & Subarea Plans
- Other?

### Multi-Family Development Standards Ideas:

- Explore ways to encourage multi-family development, (especially within overlay districts) for example:
  - Open space reductions when close to public park
  - Reductions when small versus large scale projects
- Other?



ANTICIPATED SCHEDULE		
<u>May</u>	TODAY	<ul style="list-style-type: none"> <li>• Development Incentives</li> </ul>
	5/15	<b>Start Final Review Process:</b> <ul style="list-style-type: none"> <li>• Site Planning</li> <li>• Building Design</li> <li>• “Special” Standards                             <ul style="list-style-type: none"> <li>- Mixed Use</li> <li>- Overlay Districts</li> <li>- Development Incentives/Bonuses</li> </ul> </li> </ul>
<u>June</u>		
<u>July</u>		
	TBD	<b>Public Hearing</b>