

## **20.25D.035 Catalyst Projects.**

### **A. Catalyst Project Definitions.**

The definitions contained in this subsection apply only to the catalyst project provisions of this code in this section.

1. Catalyst Project. A development proposal that meets all of the following criteria:
  - a. Located in a BelRed land use district node;
  - b. The project limit is greater than four acres in size;
  - c. FAR within the project limit is proposed to exceed 2.0;
  - d. A complete Master Development Plan application is submitted within 18 months of Federal Transit Authority issuance of a record of decision on the Sound Transit East Link Project, or prior to December 31, 2011, whichever is later; and
  - e. The construction value associated with developer-funded infrastructure exceeds \$300,000 per acre of land included within the project limit.
2. Complete Master Development Plan. A Master Development Plan application that meets the requirements governing application completeness under the terms of the Local Project Review Act (RCW 36.70B.070(2)) as currently adopted or subsequently amended or superseded), and describes the entire project limit and associated project components that are proposed to receive the benefit of catalyst project incentives described in subsection B of this section. Expansions to the project limit associated with the complete Master Development Plan that are submitted after the deadline contained in subsection A.1.d of this section shall not be eligible for the catalyst project incentives.
3. Developer Funded Infrastructure. An improvement or dedication that meets all of the following criteria:

- a. The improvement is required as a condition of approving a catalyst project Master Development Plan;
  - b. The improvement is identified as public right-of-way or located within the public right-of-way;
  - c. The improvement is limited to public infrastructure such as sidewalks, local streets, and related utilities, and does not include private infrastructure that serves only catalyst project users such as side sewer and water connections;
  - d. The land associated with the improvement is not used to earn floor area pursuant to the special dedication and transfer provision of LUC 20.25D.080.D;
  - e. The cost of the improvement is not reimbursed or credited under the terms of City Code (e.g., impact fees under the Transportation Improvement Program, Chapter 22.16 BCC, or Assessment Reimbursement Contracts, Chapter 14.62 BCC) or included in a Local Improvement District (Chapter 15.04 BCC) which includes City financial participation;
  - f. The improvement is not used to earn amenity points meeting the standards of the Amenity Incentive System, LUC 20.25D.090.
4. Construction Value. A measure of value of developer-funded infrastructure determined by adding the fair market value of any land dedicated as part of the infrastructure and the actual costs of design, engineering, and construction of such infrastructure. If construction of the infrastructure is not complete, construction value may be based on reasonable estimates of costs, as approved by the director in consultation with the directors of the transportation and utilities departments.
5. Development Agreement. An agreement adopted under the authority of and pursuant to the procedures set forth in Chapter 36.70B RCW.

**B. Catalyst Project Incentives and Requirements.**

1. The City may enter into a development agreement that allows modifications to the following provisions of the Land Use Code as applied to a catalyst project. Any

modification approved in a development agreement shall be consistent with the limitations and requirements contained in this subsection.

2. Available Land Use Code Modifications and Associated Limitations.

a. Reduced Fee-In-Lieu Bonus Rate for Catalyst Project (LUC 20.25D.090.C.7). Up to and including May 3, 2027, the fee-in-lieu bonus rate for Tier 1 amenities may be reduced to not less than \$4.00 per square foot of bonus area. The reduced fee-in-lieu bonus rate of \$4.00 per square foot for Tier 1 amenities shall be assessed and collected at building permit issuance and shall not be available subsequent to May 3, 2027.

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Between May 4, 2027 and May 3, 2031, Owner may choose to comply with the requirements for Tier 1 amenities by paying a fee-in-lieu rate that is equal to 55 percent of the Tier 1 fee-in-lieu rate required by the LUC on the date that is the earlier of:

- i. Approval of the Administrative Design Review for the applicable Master Development Plan Phase, or
- ii. Submittal of a complete building permit application for the applicable Master Development Plan Phase.

After May 4, 2031 and for the life of the Master Development Plan, Owner may choose to comply with the requirements for Tier 1 amenities by paying a fee-in-lieu rate that is equal to 60 percent of the Tier 1 fee-in-lieu rate required by the LUC on the date that is the earlier of:

- iii. Approval of the Administrative Design Review for the applicable Master Development Plan Phase, or
- iv. Submittal of a complete building permit application for the applicable Master Development Plan Phase.

In the event the City no longer maintains a Tier 1 fee-in-lieu rate, then the fee-in-lieu rate for Tier 1 amenities shall be the above-required percent of the last Tier 1 fee-in-lieu rate published by the City as adjusted for inflation annually on January 1st of each year from the last publication date based on the current published annual change in the Seattle Consumer Price Index for Wage Earners.

[and Clerical Workers. All Tier 1 fee-in-lieu rates shall be assessed as stated in this subsection B.2.a, but shall be collected at building permit issuance.](#)

[b. Reduced Fee-In-Lieu Limitations and Allowances. The reduced fee-in-lieu bonus rate in subsection B.2 is subject to the following limitations:](#)

i. The reduced fee-in-lieu bonus rate may be used to satisfy only the Tier 1 FAR Amenity Standards;

ii. The reduced fee-in-lieu bonus rate does not create an obligation for the City to pay, credit, or reimburse the owner of a catalyst project beyond the terms of this section;

iii. The reduced fee-in-lieu bonus rate shall be utilized to satisfy required FAR Amenity Standards consistent with the specific requirements of LUC 20.25D.090.C; [and](#)

[iv. For all Tier 1 fee-in-lieu amenity payments under LUC 20.25D.035.B.2.a, the City may apply the payment to support the development of affordable housing.](#)

[c. Extended Vesting. The vested status of a Master Development Plan and the associated land use decisions \[approved pursuant to a Development Agreement\]\(#\) may be extended for up to a maximum of \[25\]\(#\) years, and the provisions of LUC 20.30V.190 shall not apply. The process provisions of LUC 20.30V.160 governing modifications or additional to an approved Master Development Plan may be modified to be consistent with the development agreement terms governing extended vesting. Extended vesting approved through a development agreement may modify the provisions of LUC 20.40.500.A subject to the following limitations:](#)

i. The vesting period shall not exceed [25](#) years from the date of the first Master Development Plan decision as determined pursuant to LUC 20.35.045;

ii. Subsequent revisions to the Master Development Plan, or associated administrative decisions, shall not extend the vesting period described above.

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iii. The 25-year extended vesting applies only to Process II land use decisions (LUC 20.35.015.C); and

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iv. Upon expiration of the extended vesting period, the provisions of LUC 20.40.500.B shall apply.

d. Relief from Proportional Compliance Requirements for Existing Development. Proportional compliance required pursuant to LUC 20.25D.060.G may be deferred or eliminated pursuant to a development agreement.

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e. Amenity Incentive System Bonus Points for Dedicated Parks. Parks not meeting the amenity standards of Chart 20.25D.090.C.4 may be granted an amenity incentive bonus at a rate determined pursuant to a development agreement.

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3. Residential Requirement in the OR-1 and OR-2 Land Use Districts. If the City enters into a development agreement for a catalyst project located in the OR-1 and OR-2 Land Use Districts allowing modifications to any of the provisions of the Land Use Code described in this subsection, then a minimum residential use requirement shall be established in the development agreement and the location of the residential use shall be specified in the Master Development Plan.