

# Existing Building Redevelopment (HB 1042) LUCA

Planning Commission Study Session

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# Direction

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Provide input and direct staff to prepare the proposed LUCA for public hearing at a future meeting



# Agenda

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HB 1042 Overview



Council Initiation



Stakeholder Input



Proposed LUCA Overview



Schedule



# House Bill (HB) 1042

## HB 1042 passed to:

- Encourage conversion of commercial buildings into residential uses
- Encourage adding units to existing residential buildings
- Associated LUCA & BCCA must be adopted by June 30, 2025



# Bill Requirements

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## **For existing buildings in mixed-use or commercial districts converting into residential uses:**

- Must allow 50% greater residential density
- Cannot require:
  - Additional parking for residential
  - Additional permitting or standards beyond what is required for new buildings
  - Ground floor commercial unless along a “major pedestrian corridor”
  - Transportation concurrency study or SEPA review
- Cannot deny a project based on existing non-conformities

# Council Initiation

## LUCA initiated by Council July 16:

- Housing a noted need in the city
- Desire to further encourage office-to-residential conversions
- Interest in further incentives



# Stakeholder Input

Feedback from developers with conversion experience:

- Redevelopment not feasible economically without incentives
- Need for flexibility from codes
- Request to allow additional density



# Existing Building Redevelopment Feasibility

- Funding gap of \$50-125/sq. ft.
- Require additional funding sources- State incentives, LIHTC, Historic tax credits
- Hotels & 80s-90s mid-rise most feasible
- Seattle estimates 12 buildings Downtown will utilize program in next 7 years

Scoring Criteria	Floorplate	Vacancy / Availability	Building Quality	Office Rent	Contiguous Space	Parking	Transit
Metric & Unit	Minimum Floorplate Dimension	% of Building that is Vacant / Available	5-Star CoStar Rating System	Average Office Rent per SF	Max Contiguous Vacant Space	# of Parking Spaces per 1,000 SF	Distance from Nearest Transit
5 points	60 feet or less	80% or more	1 star	\$20 or less	200,000 SF or more	N/A	N/A
4 points	60 – 80 feet	60 – 80%	2 stars	\$20 - \$25	150,000 – 200,000	N/A	N/A
3 points	80 – 100 feet	40 – 60%	3 stars	\$25 - \$30	100,000 – 150,000	1 or more	0.25 miles or less
2 points	100 – 120 feet	20 – 40%	4 stars	\$30 - \$35	50,000 – 100,000	0.5 – 1	0.25 – 0.5 miles
1 point	120 feet or more	20% or less	5 stars	\$35 or more	50,000 SF or less	0.5 or less	0.5 miles or more

Source: AECOM, as presented to PSRC

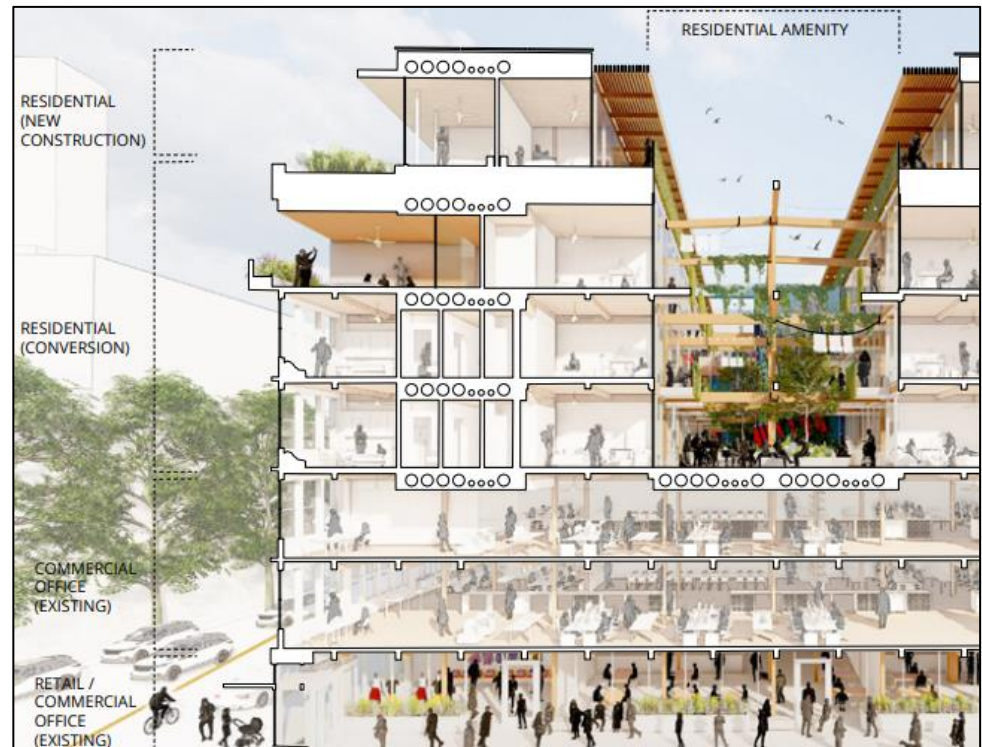




# Proposed LUCA Objectives

## Encourage housing production by:

- Updating LUC & BCC for consistency with HB 1042
- Addressing other barriers to residential conversion
- Providing additional incentives to redevelopment

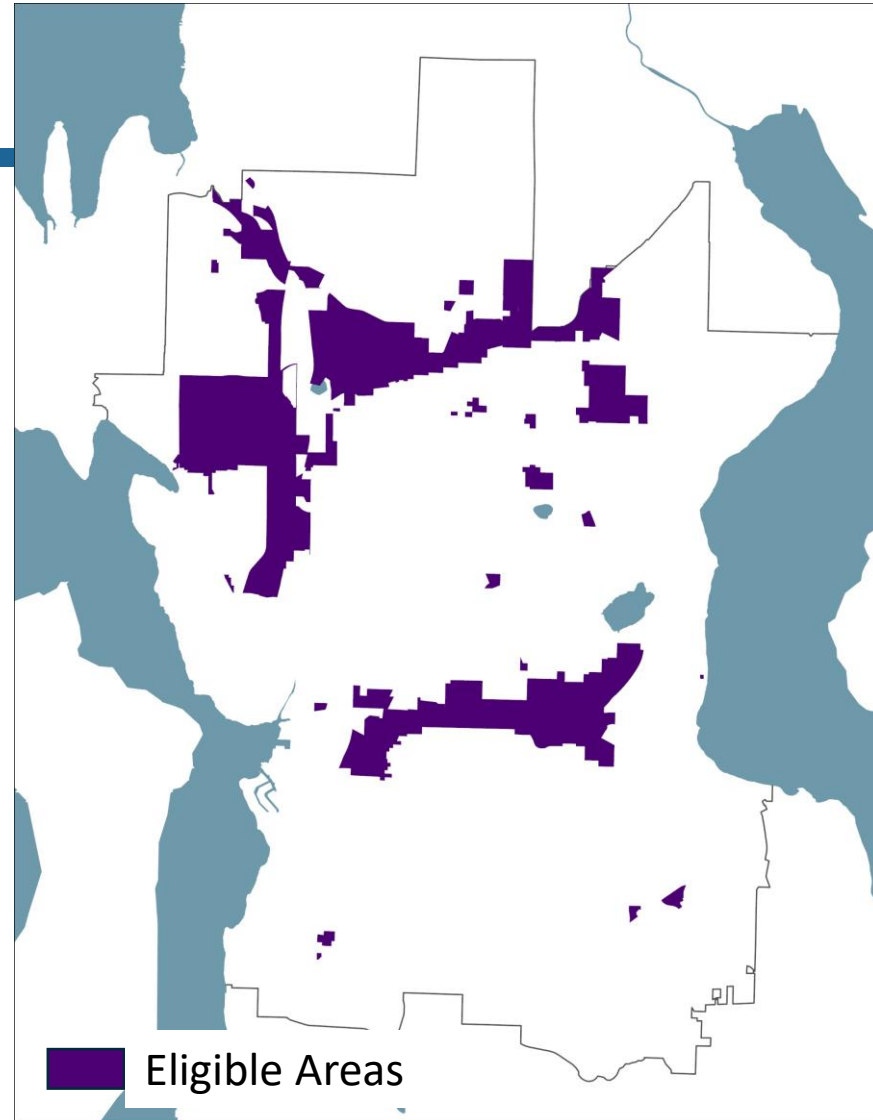


Miller Hull Architects, submitted to Seattle OPCD

# Proposed LUCA: Eligibility

## Buildings redeveloping residentially which:

- Received a Certificate of Occupancy greater than 3 years ago in mixed-use areas
- Are not expanding horizontally- allowance to expand up to 5% of existing floor area as necessary to accommodate residential uses
- Are not expanding vertically- allowance for a residential penthouse



# Proposed LUCA Changes

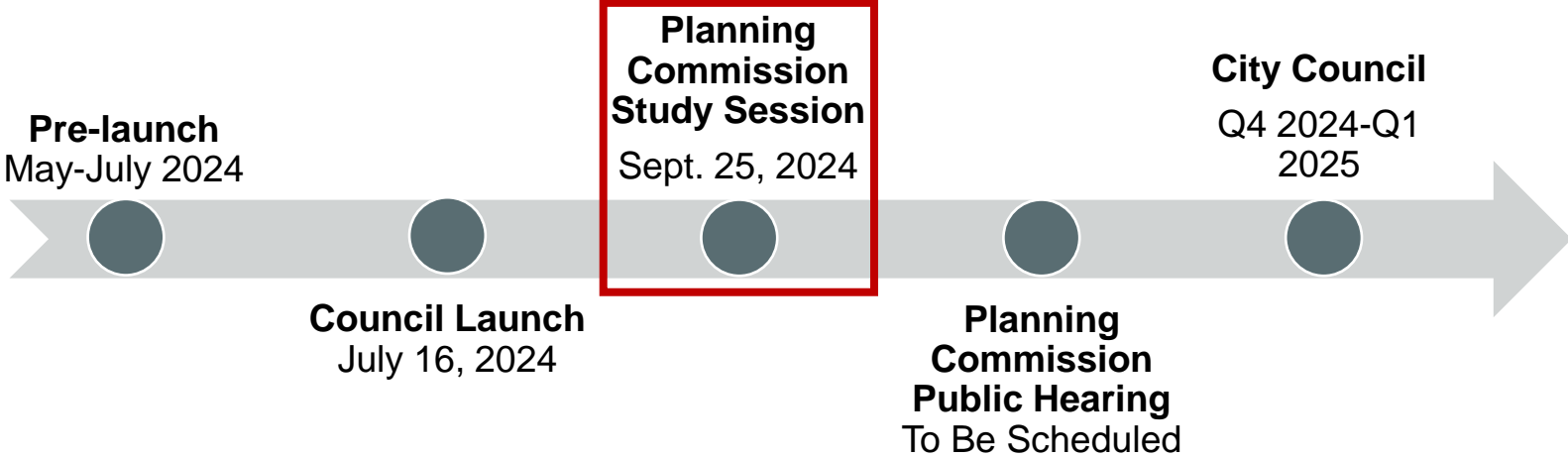
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## The LUCA will:

- Provide a 50% density increase
- Maintain existing parking, no additional required for residential
- Exempt from exterior design requirements and dimensional standards
- Exempt from ground floor retail requirements, other than along “A” Rights-of-Way Downtown
- Exempt from non-conforming language
- Provide flexibility in recycling and waste areas
- Exempt from multi-family play areas



# Anticipated Schedule



# Direction

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