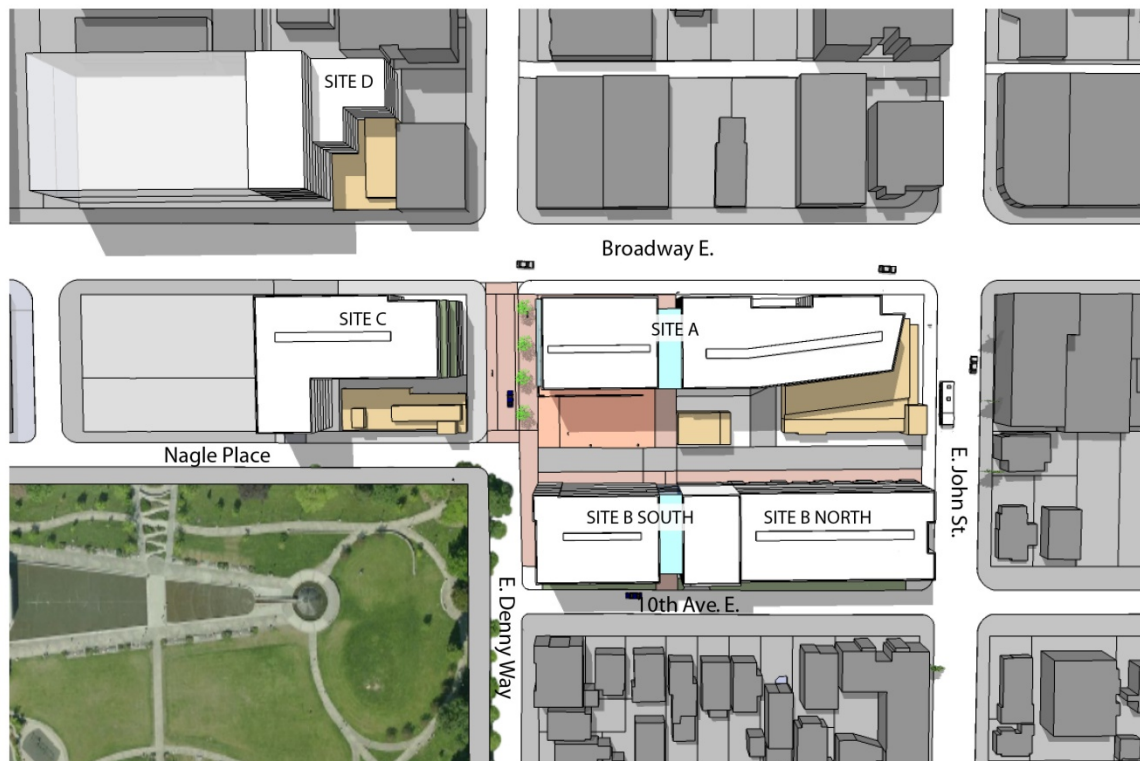


Capitol Hill Light Rail Station Sites Development Agreement and Site-specific Design Guidelines

Director's Report

Introduction

The Department of Planning and Development (DPD) is proposing the approval of a Development Agreement with Sound Transit for five properties owned by Sound Transit on Capitol Hill. These properties were acquired for the construction of the Capitol Hill light rail station and a portion of the underground tunnel serving the light rail system. These five properties will be surplus to Sound Transit's needs once construction of the station and tunnel are complete. The proposed Development Agreement would apply to these five properties only and subject the future development of these properties to the terms of the agreement for the next ten years. Additionally, DPD is proposing the adoption of site-specific design guidelines to be amended to the Capitol Hill Neighborhood Design Guidelines. These site-specific design guidelines also will apply only to the five properties noted above.



Map of the 5 Sound Transit Sites: A, B North, B South, C and D



Background

Over the past several years, Capitol Hill community members have worked with Sound Transit staff and City of Seattle staff to articulate a vision of the redevelopment of the five Sound Transit owned sites in the immediate vicinity of the light rail station on Capitol Hill. In 2009, staff from both agencies met monthly with a Transit Oriented Subcommittee of the Capitol Hill Chamber of Commerce to outline probable areas of community interest in regards to the redevelopment of the properties. Sound Transit held three community forums that year to discuss potential components of the future redevelopment including housing, retail, street design and community space. In February 2010, the Chamber's subcommittee released a Recommendations report regarding the development and urban design of the sites. One of the recommendations in that report was for the City to develop in collaboration with the community and Sound Transit, an Urban Design Framework (UDF) for the immediate station area of the light rail station on Capitol Hill.

In the spring of 2010, the Chamber's subcommittee evolved into the Capitol Hill Champion, a joint venture of the Capitol Hill Chamber of Commerce and the Capitol Hill Community Council. Following a recommendation of the February 2010 report noted above, this joint committee continues to advocate for and Champion the community's vision of a redevelopment that will help transform Broadway into the heart of a transit oriented community serving and attracting the broad diversity of Capitol Hill residents, business owners and visitors

The UDF builds upon the work and discussions of the community to date, led by the City in partnership with the Capitol Hill Champion Steering Committee. Three workshops were convened between October 2010 and February 2011 to discuss the essential elements of the UDF – desired uses on the sites, design and scale of structures, and the programming and maintenance of publically accessible spaces in the redevelopment. The workshops were comprised of Capitol Hill Champion Steering committee members and other interested community members; as well as relevant City staff and Sound Transit staff.

Guiding principles of the Urban Design Framework are as follows:

- *Community and sustainability*
Seize the unprecedented opportunity presented by the Sound Transit (ST) development parcels to provide an assembly of the highest quality buildings and public spaces capable of housing the diversity of uses identified by the community as priorities and the diversity of community members of Capitol Hill, improving the livability and quality of life in the neighborhood.
- *Public participation*
Engage in an inclusive, open and on-going public participation process in the development and application of Urban Design Framework guidelines to the ST owned parcels. Continue to actively engage the Capitol Hill community in the physical space developed above the light rail

facility through high quality and context-responsive design and innovative, inclusive programming of the public spaces.

- *Program and design*
Seize upon this is a once-in-a-generation opportunity to shape the future of the Broadway retail district, create community-oriented public spaces around the station, and set the stage for high-quality architecture and urban development that can be a model for other Transit Oriented Development sites in the city.
- *Collaborative development projects of the highest quality*
Collaboratively design the redevelopment. Respond to the neighborhood context while recognizing it will set the tone for future redevelopment along Broadway.
- *A plaza that becomes a civic heart of Capitol Hill*
Design and program the plaza so that it attracts and sustains vibrant public life.
- *Affordable housing and business space*
Provide residential and commercial spaces that meet the needs of a diversity of Capitol Hill residents.
- *A cultural center and community space*
Pursue the inclusion of a community cultural /gathering space in the redevelopment.
- *Low ratio parking*
Provide a lower ratio of parking to residential units in recognition of the proximity to transit and neighborhood interest in encouraging alternative modes of transportation.

Key recommendations in the Urban Design Framework include:

Uses

- An ambitious goal for the inclusion of affordable housing – 25% of total units available to individuals earning 80% Average Median Income (AMI) or below and 25 % of the total units made available to individuals earning at lower levels.
- An active and activated plaza on the main station block that contributes to place making and becomes a civic heart of the community.
- A preference for flexible retail spaces that can accommodate a collection of smaller businesses as well as a larger, destination retail tenant.
- Inclusion of a cultural community center in the redevelopment – open to all while acknowledging the needs of the Lesbian Gay Bisexual Transgender Queer (LGBTQ) community.

Design and Scale

- Breaking up the frontage along Broadway and 10th Avenue E. with mid block crossings that also provide access to the plaza.
- Designating E. Denny Way as a Festival Street.
- Acknowledging the plaza as an entry to Cal Anderson Park and pursuing a civic design of the space.
- Acknowledging the station entry design as part of the overall context and responding accordingly.
- Scaling the buildings away from the plaza and E. Denny Way Festival Street so as to preserve as much solar access as practicable.

Programming and Maintenance

- Actively programming the plaza by an entity such as Broadway Business Improvement Association or Capitol Hill Chamber of Commerce to ensure a variety of programming that activates the space while respecting residences on-site and nearby. Recognizing the importance of and facilitating collaborative development. Preference stated for a Master Developer, absent which a mechanism to ensure collaboration and coordination of design and development.

A first draft of the UDF was published in March of 2011 for review by participants in the UDF development workshops (held October 2010 – February 2011). This draft was revised based upon the comments received and presented to the broader community in May 2011. Following a community meeting and public comment, City staff revised the draft based on public comments and finalized the Framework in October 2011.

The UDF offers development and design guidance for the five properties. The UDF is not a regulatory mechanism. It is intended to inform zoning, design, and other regulatory decisions necessary to implement the UDF. Two mechanisms were identified to help implement the UDF. Design guidance offered in the UDF would be implemented through site-specific design guidelines for the five properties that would supplement the Capitol Hill Design Guidelines. Development guidance offered in the UDF would be implemented through a Development Agreement between Sound Transit and the City. Legislation was passed by the City Council in September 2011 authorizing the Department of Planning and Development (DPD) to work with Sound Transit in preparing a Development Agreement for real property owned by a regional transit authority in the Capitol Hill Station Area Overlay District.

Following the completion of the UDF and the legislation authorizing a Development Agreement, City and Sound Transit staff began negotiating the terms of a Development Agreement that, if approved by both the City Council and Sound Transit Board, would define development controls for the station sites that vary otherwise applicable development regulations under current zoning, in order to achieve the community's goals outlined in the UDF, consistent with State RCW 36.70B.

Current zoning

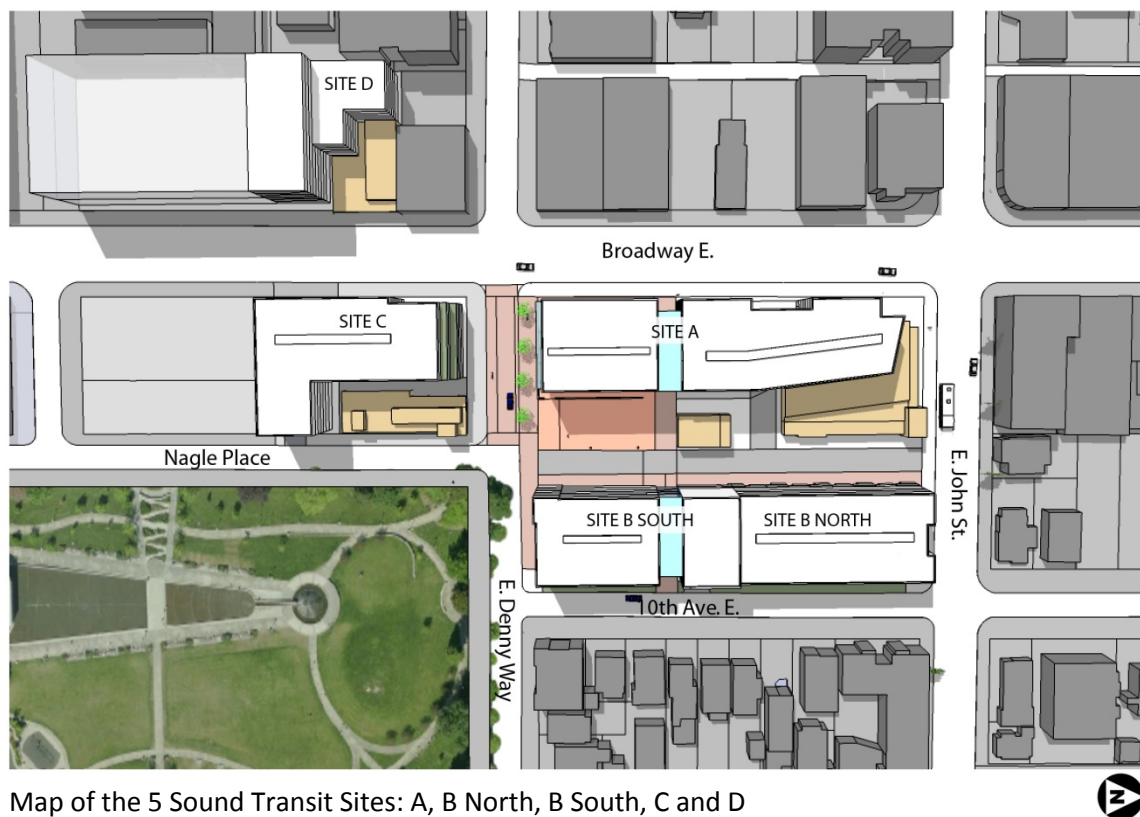
The current zoning for the five properties subject to the proposed development agreement is Neighborhood Commercial. Neighborhood Commercial zoning encourages ground level commercial with residential above, but accommodates upper level office or commercial uses as well. There are no size limits for most uses. Additionally, half of the site on the west side of Broadway lies within the Seattle Central Community College Major Institutional Overlay. The sites fronting Broadway (Sites C and D) and Broadway E. (Site A) have a height limit of 65 feet as long as the top 25 feet are residential uses. These three sites also lie within a Pedestrian zone. A Pedestrian zone is intended to preserve and encourage an intensely pedestrian-oriented, retail shopping district where non-auto modes of transportation, both to and from the district are strongly favored. Street level uses along designated principle pedestrian streets (in this case Broadway) are limited to pedestrian-oriented non residential uses that have the potential to animate the sidewalk environment such as retail, entertainment, restaurants and personal services. Uses not considered to be pedestrian oriented may not exceed 20% of the total façade. The two sites fronting 10th Avenue E. (Sites B North and B South) have a 40 foot height limit.

The site dimensions of the properties are as follows.

A:	45,978 sq. ft.
B North:	17,158 sq. ft.
B South:	16,699 sq. ft.
C:	17,231 sq. ft.
D:	10,423 sq. ft.

Document 1: Development Agreement

The Development Agreement between the City and Sound Transit establishes the design and development standards that will govern the redevelopment of the properties acquired by Sound Transit on Capitol Hill for the construction of the light rail station and a portion of the underground light rail system tunnel. Sites subject to the Development Agreement are noted below in the site map as sites A, B North, B South, C and D). The Development Agreement was preceded by a term sheet negotiated between City and Sound Transit staff, informed by the UDF. The term sheet describes the commitments of each party, informed by the UDF and including requirements Sound Transit will place on its properties as legal encumbrances, as well as City development standards that would not be otherwise applicable to the sites under existing zoning. The term sheet was signed by the Seattle Department of Planning and Development Director and the Sound Transit Chief Executive on October 5, 2012. The terms agreed upon have been incorporated into a Development Agreement between the City and Sound Transit. The Development Agreement will be legally binding for both parties for the redevelopment of the Capitol Hill light rail station sites, after approval and signature by both the City Council and Sound Transit Board.



Map of the 5 Sound Transit Sites: A, B North, B South, C and D

Highlights of the Development Agreement include:

Housing

- An increase in height on all five sites; from 65' to 85' on sites A, C and D and from 40' to 85' on sites B North and B South. All sites will be built to a minimum height of 74'11" and a maximum height of 85', except the southern portion of site D within the Seattle Central Community College Major Institution Overlay District (MIO) that has a height limit of 105 feet' for institutionally related development.
- A requirement that site B North be made available exclusively to a developer who commits to providing 100% affordable housing at or below 60% AMI on site B north.
- A requirement that the developers of all sites except B North participate in the City's Multifamily Tax Exemption Program. This program currently provides a tax exemption for developers committing to provide 20% of the total number of residential units as affordable to low and moderate income households, with the level of affordability related to the unit type; at or below 65% of median for studio units, at or below 75% of median for 1-bedroom units, and at or below 85% of median for 2-bedroom and larger units. Sound Transit will require these units remain affordable at these levels for a minimum of 12 years. The specific allocation of unit sizes and affordability levels would be subject to change if the MFTE Program requirements are updated, which Council is currently considering.
- In order to build to 85' on sites A, C and D, the developer must commit to an additional duration of affordability beyond 12 years, or to a greater percentage (above 20%) of affordable residential units.

Appraisals

- All sites will be appraised at the allowed capacity of 85' with the exception of sites B North which will be appraised under the current height limit of 40'.

Amenity Areas

- A required publically accessible plaza that will be available to entities and organizations seeking to conduct programmed public events such as the Broadway Farmers market.
- Required pedestrian pass-throughs between Broadway E. and the plaza and 10th Ave E. and the plaza of a minimum 15 foot dimension.
- A required 12 foot setback from the southern property line of site A to create an overlook onto the E. Denny Way Festival Street.
- A requirement to provide 266 bike stalls on site.
- A requirement to provide a generous 10th Ave E. green streetscape.

Design Considerations

- A required discernible visual break in building mass along site A's Broadway street frontage, that marks the location of the pedestrian pass-through, as determined through design review as long as intent is met.

- Required ground related housing on 10th Ave E. with stoops.
- Required upper level setback of five feet depth on the top two floors of any structure fronting E. Denny Way on site C .

Sustainability and Green Factor

- Ability to meet Green Factor requirements, per Seattle's Land Use Code, across all five sites as opposed to having to meet the required Green Factor score on each of the five sites. This results in a coordinated approach across all five sites with a unified design concept that complements Cal Anderson Park.
- Requirement to meet a combined Green Factor score of .302

Automobile Parking

- A maximum residential parking stall-to-unit ratio of 0.7.
- Requirements to unbundle parking costs from charged rent for affordable residential units.

Modified Design Review

- One alternative to the project proposal presented in the RFP process (as opposed to 2) required for submission to the Early Design Guidance meeting.
- Two Design Review Board meetings, with a commitment to no more than three meetings total; additional meetings at the request of the applicant. The commitment to no more than three meetings total demonstrates the Department's expeditious project review.

Sound Transit intends to make the five properties available for development through a competitive Request for Qualifications process. A Request for Proposals competitive short-list process will follow. Sound Transit's property disposition must follow the agency's disposition policies, in concert with Federal regulations and approval. The term sheet outlines certain components and characteristics of future development where Sound Transit has committed to award bonus points through the rating of the proposals they receive in response to their Request for Proposals; they are as follows:

- Proposals including additional affordable housing or a greater duration of affordable housing
- Proposals including a community center
- Proposals including LEED Gold and Platinum buildings
- Proposals including a demonstrated ability and commitment to design and build the Plaza to a high standard
- Proposals including unbundled parking rents from all residential units

The areas where bonus points will be awarded and the allocation of bonus points will be agreed to between Sound Transit and the DPD through a side agreement.

Document 2: Site Specific Design Guidelines

Site-specific design guidelines describe the design guidance offered in the UDF. If approved, these guidelines will be amended to the Capitol Hill Neighborhood Design Guidelines and apply specifically and solely to the Capitol Hill light rail station sites.

Site-specific design guidelines highlights include:

- Consider sustainable design opportunities on site such as:
 - Integrating new buildings and site with external direct heating/cooling system(s)
 - Incorporating building-integrated renewable energy generation, provide for potential expansion with adjacent properties
 - Providing individual , advanced meters for every residential unit
 - Providing publicly visible displays of energy use
 - Enhancing urban wildlife corridors by creating new habitat for insects and birds through design and plantings for green roofs, walls, and gardens. Maximize use of native species
 - Creating habitat through right-of-way improvements and/or integrated green roofs and walls
 - Providing publicly visible displays of water use
 - Providing shared site-wide systems for rain water harvesting, greywater reuse, blackwater processing/reuse, centralized shared water cisterns. Provide for potential expansion with adjacent properties.
 - Reducing flows into the municipal; water system through stormwater management of building green roofs and walls

- Design the Broadway E. façade of site A such that there is a discernible visual break in the building mass that marks the pedestrian pass through to the plaza and 10th Ave E.
Consider the following:
 - An inviting entry feature such as cascading stair or terrace (especially Site A)
 - Commercial and retail uses that activate Broadway and that ‘turn-the-corner’ into the midblock crossing on Site A.
 - Using the mid-block crossing as a transition point of building character, scale or mass

- Consider design approaches that visually integrate the 10th Avenue E. frontage with the low-rise multifamily residential context to the east. Setbacks at the upper levels are a valuable method to help accomplish a scale compatible with that across the street.

- Consider design approaches to the pedestrian pass throughs of Site A and Site B in a way that draws the public into the proposed plaza.

- Consider design approaches that encourage vehicles to move slowly on the private street between E. Denny Way and E. John St. Consider including urban design elements and softening features

such as pavement treatments, landscaping, lighting fixtures and other elements should be used to indicate the shared nature of the space.

- Consider an architectural concept that results in a functional design for all sites, with building forms that relate to each other yet have distinct design identities.
- Consider scaling the mass of buildings on sites A and C facing the Plaza and the E. Denny Way Festival Street so as to provide favorable sun and air exposure to the proposed plaza and Festival Street.
- Consider design approaches that visually integrate the base of the building on Site A with the north station entry. Consider extending design elements from the station into the design of the base of the building on Site A, especially at the corner of Broadway E. and E John Street as the building turns the corner onto Broadway E.
- Consider the relationship of the proposed plaza to the surrounding buildings as well as to the E. Denny Festival Street and Cal Anderson Park a primary design consideration – one that will orient and elevate the design quality of adjacent streets and building facades.

Public Process and Comment

Over a hundred people attended the September 24, 2012 public meeting on the Capitol Hill light rail station sites TOD term sheet and draft site-specific design guidelines. Public comment was invited between September 12 and October 3, 2012. This meeting built on the several years of public engagement and input around the UDF.

Overall, the majority of public comments received during this process supported both the term sheet and the City of Seattle and Sound Transit's process to date. Specific support was noted for the requirements for affordable and workforce housing, the height increases that allow for increased development capacity, green building requirements, and parking maximums and unbundling. Support for inclusion of a cultural/community center either with a specific Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) emphasis or including LGBTQ activities and services in the redevelopment was also a common theme among many of the comments.

The following is a summary of comments received regarding specific issues.

Housing

Comments expressed significant support for requirements in the Term Sheet for affordable housing. In addition, some commented they would like to see the Term Sheet go further with depth and/or duration of affordability.

Most of the comments support an increase in height that allows for increased development capacity on the sites. However some comments expressed concern regarding the additional building height offered and the potential impacts on the plaza, Festival Street and neighborhood scale.

Community/Cultural Center:

Strong support was expressed for inclusion of a cultural/community center and for it to have a LGBTQ focus. Some expressed support of a cultural/community center with LGBTQ activities/services included in the programming.

Amenity Areas:

Comments supported the creation of the E. Denny Way Festival Street. A few comments spoke to further limiting vehicle traffic, while another spoke to including two-way traffic.

Comments received reinforced accommodation of the Broadway Farmer's Market in the plaza. While support remains for the plaza, some questions were asked and concerns raised regarding the programming and oversight of the plaza. Comments were received indicating the desire for art to be mandated in the plaza.

Design Considerations

Comments expressed support for the required setbacks included in the Term Sheet. Some questioned the adequacy of the setbacks and their ability to provide enough solar access to the plaza and festival street. Additional design strategies to ensure functional and appealing public spaces can be suggested

through Design Review.

Sustainability and Green Factor

Comments support the requirements for green factor and sustainability. Some encouraged additional requirements for sustainable building practices and a stronger reference to the Capitol Hill Eco District.

Automobile Parking

Comments included general support for a maximum parking ratio of 0.7 automobile parking stall per residential unit and the unbundling of stalls from unit cost in the affordable units. Several comments encouraged requiring a lower auto parking ratio and unbundling auto parking from all residential unit costs across all sites. One comment encouraged accommodating scooters.

Modified Design Review

Comments encouraged maximum flexibility in order for future developers to further realize the community's vision. A few comments suggested clearer, less architectural language in the design guidelines.

Bonus points awarded through Sound Transit's property disposition process (Request for Qualifications followed by a Request for Proposals)

Strong support was noted for the awarding of bonus points for proposals including additional affordable housing and/or a longer duration of affordability, a community center, and sustainable building practices,

Additional Comment Themes

Master Developer

Comments encourage the ability for a master developer to be equally competitive as individual proposers during the RFQ/RFP process by considering any master developer proposal in its entirety. Several believe greater community benefit can be achieved by this approach.

Office Space

Several comments encouraged flexibility in the permitted uses across the site beyond those solely residential.

Retail

Many comments spoke to the desire to provide incentives for developers to include flexible space that accommodates a range of sizes of local retail and small business. Several expressed a desire to have retail face and support the programming of the plaza and farmer's market.

Recommendation

DPD recommends the approval of the proposed Development Agreement with Sound Transit and the adoption of the site-specific design guidelines that will supplement the Capitol Hill Neighborhood Design Guidelines. This recommendation is contingent upon a side agreement between Sound Transit and the DPD regarding the allocation of bonus points in Sound Transit's property disposition process for the properties subject to the Agreement being in place at the time of City Council consideration and action on the Agreement. DPD and ST staffs are developing that side agreement now and expect to make it available for discussion as part of Council's deliberations.

Abbreviations and Definitions

DRB – Design Review Board

DNS – Determination of Non-Significance (for SEPA)

DPD – Seattle Department of Planning and Development

LGBTQ – Lesbian Gay Bisexual Transgender Queer

MI – Median Income

MUP – Master Use Permit

OH – Seattle Office of Housing

RFQ/RFP – Request for Qualifications/Request for Proposals

SEPA – State Environmental Policy Act

ST – Sound Transit

UDF – Urban Design Framework

Attachments

- A. Capitol Hill Light Rail Station Sites Development Agreement
- B. Capitol Hill Light Rail Station Sites Site-specific Design Guidelines