



City of Seattle

Gregory J. Nickels, Mayor

Department of Planning and Development

D. M. Sugimura, Director

**CITY OF SEATTLE
ANALYSIS AND DECISION OF THE DIRECTOR OF
THE DEPARTMENT OF PLANNING AND DEVELOPMENT**

Application Number: 3007033

Applicant Name: Edi Linardic
Michael Aippersbach

Address of Proposal: 5425 Shilshole Ave NW

SUMMARY OF PROPOSED ACTION

Land Use Application to allow a six-story, 170 room hotel with parking for 211 vehicles to be located above and below grade. Existing restaurant building to remain.

The following approval is required:

Administrative Conditional Use – to allow a lodging use within an industrial zone.
(Seattle Municipal Code 23.50.012)

SEPA - Environmental Determination - Chapter 25.05, Seattle Municipal Code.

SEPA DETERMINATION: Exempt DNS EIS
 DNS with conditions
 DNS involving non-exempt grading or demolition or
involving another agency with jurisdiction.

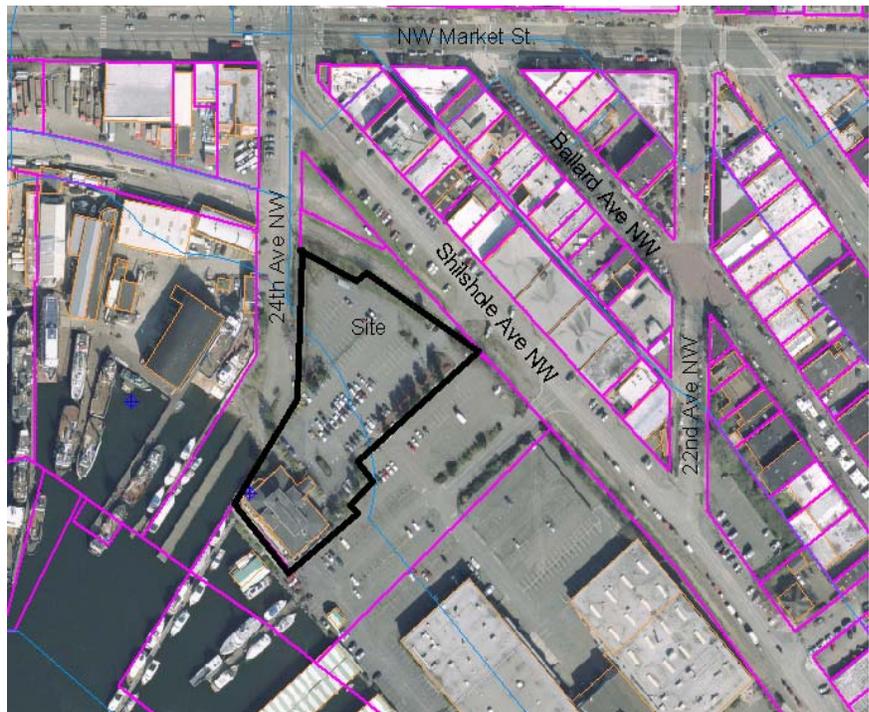
BACKGROUND DATA

Site Description

The proposed building site is the northern (upland) portion of a 2.13 acre site containing the former Yankee Diner restaurant. The parcel is located off of Shilshole Ave NW, at NW 24th Street, near downtown Ballard. The restaurant building fronts on Salmon Bay. The building site is a portion of the current parking lot. The Yankee Diner has been closed for about a year, but a catering business is being operated from the building. The site is zoned Industrial General 2, and the location of the proposed hotel is just outside the shoreline zone.

Description of Proposal

The proposal is to develop a Silver Cloud hotel, consisting of 170 rooms with total on-site parking for 211 cars. 103 spaces are proposed to serve the hotel, with the balance of 108 cars set aside for use by the existing restaurant building. The hotel includes 1900 s.f. of conference space, as well as a pool and exercise facilities. Grading of 6,500 cubic yards of soil is anticipated as cuts for the foundation and underground parking.



Public Comment

The application was submitted 5/12/05. Notice of the application was issued, and 11 comment letters were received. Additionally, a meeting was held on January 26, 2007 with adjacent property owners in the industrial area to get input on a revised design. While initial comments in 2005 expressed concerns about potential impacts and incompatibilities with adjacent businesses, the adjacent industrial users in attendance at the 2007 meeting supported the project due to changes that had been made to address impacts.

ANALYSIS - ADMINISTRATIVE CONDITIONAL USE

The land use code allows for lodging within an industrial zone, only if it meets certain general criteria for a conditional use, plus certain specific criteria for a lodging use. The criteria, as listed in SMC 23.50.014, are as follows:

- 1. The use shall be determined not to be materially detrimental to the public welfare or injurious to property in the zone or vicinity in which the property is located.***

The use will not be materially detrimental to the public welfare or properties in the vicinity.

- The site is adjacent to an industrial use on the west, and office use on the east. The proposed use is less intense than the surrounding uses.
- Black out curtains and a high level of noise insulation are proposed to reduce the likelihood of a conflict between the industrial and lodging uses.

The adjacent use, Pacific Fisherman, is a shipyard for repair of commercial marine vessels and yachts. The shipyard operations include substantial noise and light until 10 PM, and into the night. A short line rail, the Ballard Terminal Railroad operates to serve some of the industrial businesses. While operation is infrequent, the noise and vibration associated with train whistles and movement is substantial.

An acoustic noise and vibration assessment was completed July 12, 2007 for the project by SSA Acoustics. The study evaluated existing noise levels from adjacent uses and made recommendations for how the project can be built to ensure that interior noise levels allow for typical day-time use and for night-time hotel activities without undue disruption. A condition is detailed at the end of this document requiring noise insulation as discussed in the Acoustics report, and black out curtains to mitigate potential incompatibility between uses.

- The applicant has stated that they recognize the right of the industrial uses in the area to operate, and do not anticipate that nuisance complaints from guests will be an issue.

To ensure this understanding is documented, a condition is warranted requiring a covenant to be signed by the owners of the property that the occupants of the building accept the industrial character of the neighborhood and agree that the existing or permitted industrial uses do not constitute a nuisance or other inappropriate or unlawful use of land.

2. The benefits to the public that would be provided by the use shall outweigh the negative impacts of the use .

It is the department's assessment that the benefits of this proposal outweigh the negative impacts, due to the following:

- The area lacks a hotel.
- This type of hotel, with limited guest services, is designed primarily to serve surrounding businesses uses.
- The property is underutilized, and the proposal will provide a valuable use for the site.
- While the use is not industrial, it will be able to be used by the industrial businesses, and will not displace any existing industrial use.
- The use is thought by adjacent users to be a better fit for the area than other non-industrial uses allowed outright under the code, such as retail or office.
- It would be difficult for an industrial use to locate here due to its nature as part of an already developed site, as well as the site's limited size and proximity to the existing restaurant and office uses.
- The street end will be improved as part of the proposal.
- There is a potential that allowing a hotel may create a precedent that would contribute to an increase in property values on industrial land, pricing out industrial uses. However, it is also recognized that a mixture of uses is important to the functioning of the industrial area, and a hotel is desired by the marine/industrial community. If the use is marketed to this community, and programmatically set up to serve their needs, it can be a positive contribution to the industrial area.

3. *Landscaping and screening, vehicular access controls and other measures shall ensure the compatibility of the use with the surrounding area and mitigate adverse impacts.*

- The applicant has worked with the adjacent users to ensure that the circulation and change in parking will not adversely impact their operations.
- Pedestrian Circulation -- A sidewalk will be placed along the north side of the property, and the 24th Ave NW street end will be improved with a sidewalk and landscaping. A crosswalk is proposed across 24th Ave NW, connecting with the existing sidewalk and crosswalk across Shilshole Ave NW.

The proposed improvements to 24th Avenue NW are outlined in part on the project plans (paving, sidewalk, parking), and are further detailed as to landscaping and pedestrian amenities in a letter from Chris Weymouth dated June 9, 2006. To ensure that the scope of work is clear, prior to the issuance of the master use permit, the proposed improvements outlined in the letter will need to be added to the plans.

- The site plan does not preclude the Burke-Gilman Trail, should it be developed within the former railroad right of way that runs along the north boundary of the site.
- A view corridor is being supplied as part of the project. In addition to the view corridor, the western portion of the building contains open parking at grade under the building, allowing for views of the water under the building when these parking spaces are not occupied. Since this area is designed for restaurant parking and is farthest from the restaurant, it may be unoccupied by cars for portions of the day, allowing expanded views to the water during certain times.

4. *The conditional use shall be denied if it is determined that the negative impacts cannot be mitigated satisfactorily. However, adverse negative impacts may be mitigated by imposing requirements or conditions deemed necessary for the protection of other properties in the zone or vicinity and the public interest.*

While there are potential negative impacts of the proposal, these can be satisfactorily mitigated by imposing certain conditions to protect other properties in the zone and the public interest. The potential impacts and mitigating conditions are summarized as follows:

- Conflicts between uses based on light and noise from the industrial area. Require black out curtains, noise insulation, and a covenant recognizing the right of the industrial area to operate as discussed under items 1 and 2 above.
- In setting limits on lodging uses in industrial areas, the City of Seattle zoning code limits lodging to that which can be demonstrated to serve users in the industrial area (see further discussion under Special Criteria 1. for a Lodging Use below). The applicant has stated that they will be marketing the hotel to users in the industrial/marine area. As such, it is reasonable to require a marketing plan for the hotel, and monitoring to ensure the intent of the criteria are attained. From a programmatic standpoint, this creates a synergy and benefit to the industrial area by ensuring that the hotel to truly is designed to serve this market segment.

5. In areas covered by Council-adopted Neighborhood Plans which were adopted after 1983, uses shall be consistent with the recommendations of the plans.

- The project lies within the Ballard Interbay Manufacturing and Industrial (BINMIC) area. This area is represented by the BINMIC Neighborhood Plan, portions of which were adopted by the City Council in 1998 under ordinance 119047. Follows are some of the adopted policies regarding transportation and land use, along with analysis of whether the proposal is consistent with these policies:

Economic Development Policies related to Land Use

2. Preserve land in the BINMIC for industrial activities such as manufacturing, warehousing, marine uses, transportation, utilities, construction and services to businesses.

It can be argued that the proposed hotel is a service to businesses. While a hotel does not fall within the strict land use definition of "Business Support Services", DPD concludes that it is more generally supporting businesses by providing lodging for business travelers, including some conference space.

8. Maintain the BINMIC as an industrial area and work for ways that sub areas within the BINMIC can be better utilized for marine/fishing, high tech, or small manufacturing industrial activities.

See Analysis following next policy.

11. Within the BINMIC, water-dependent and industrial uses shall be the highest priority use, subject to the provisions of the industrial and shoreline policies of the Comprehensive Plan, the industrial policies of the land use code, and the shoreline and industrial regulations of the land use code.

While the proposed hotel is not an industrial use, it also does not displace any industrial use. The area is currently used as parking related to a restaurant; the proposal would intensify the site to include a hotel and continued parking for the restaurant. The owner is also working with adjacent businesses to assist with parking needs historically met on the site. The willingness to work with adjacent industrial businesses helps to maintain the industrial function of the area, even though the proposed use is not an industrial use. The hotel can be a support to the industrial area, and ensures the area is not converted to other non-industrial uses allowed outright in the zone --retail or office space -- which would likely be more problematic for adjacent industrial users. The use will be outside the shoreline zone in keeping with the regulations of the shoreline and land use code.

Maritime and Fishing Industry Policies related to Land Use

24. Recognize the interdependence of maritime and fishing industries and related businesses and their special requirements for transportation, utilities, pier space and chill facilities. Encourage retention of this cluster of businesses and facilitate attraction of related businesses.

See Analysis following next policy.

29. Encourage land assembly on the BINMIC waterfront to accommodate commercial fishing and other heavier maritime uses.

The building site is zoned IG2, rather than IG1 where the most intense maritime and commercial fishing-related operations generally occur. The proposed building site is within a site already developed for a non-industrial use. It would likely be difficult for an industrial use to be retrofitted within this existing site, adjacent to a restaurant and office.

Economic Development Policies related to Transportation and Access

15. Strive to maintain and enhance intermodal (barge, ship, rail and truck) connections.

See Analysis following next policy.

16. Strive to maintain and promote rail service to and through the BINMIC.

The project will not negatively impact intermodal or rail service to and through the BINMIC. The existing operations of the Ballard Terminal Railroad have been taken into consideration in the acoustic study for the site, and recommendations made to ensure the hotel is designed to be operational despite the railroad operations.

17. Strive to provide adequate room in the street right-of-way for truck loading and maneuvering where it will not interfere with traffic flow.

The 24th Ave NW street end has been designed with the maneuvering needs to adjacent businesses in mind.

18. Maintain major truck routes to and within the BINMIC in good condition.

Traffic studies prepared for the project analyzed trip generation and distribution. The studies show that the level of traffic produced by the proposed hotel would not adversely impact traffic operations in the area.

In addition to the general conditional use permit criteria, there are specific criteria for a lodging use. These criteria are as follows:

1. *The use is designed primarily to serve users in the industrial area; and*

- The marketing study (Jinneman, Kennedy & Mohn, October, 2004) showed that industrial users in the area responded positively to the concept of a hotel, and that out-of-town guests visiting these companies would use such a hotel.
- According to a follow-up marketing study (Economic Consulting Services, June, 2007):
 - Hotels of this market segment are designed to serve travelers who visit businesses in the immediately surrounding area.
 - With limited services (no shuttle service, no restaurant, not located next to a convention center or major tourist destination) such hotels do not primarily serve the tourist industry, but rather are supplemented on weekends and during the summer with some tourist business, estimated on an average at 35%.
 - Hotels in the Silver Cloud chain obtain 70-80% of their trade from businesses close by, i.e. “backyard trade.” The chain obtains only 5% of its business from national reservation services; most business comes from the in-house marketing and repeat business as their loyalty program is extensive.
- The application materials state that the proposed hotel is intended and will be marketed as a business service to the industrial and/or marine-related uses in the area. As stated above under General Criteria #4, it is reasonable to require a marketing plan and monitoring to ensure that the hotel is serving users in the industrial area.

2. *The use is designed and located to minimize conflicts with industrial uses in the area.*

The following design elements have been incorporated into the hotel to minimize conflicts with industrial users in the area:

- The hotel was re-designed in a U-shape, so the majority of rooms do not face the industrial use to the west.
- Black-out curtains will be utilized on windows to reduce glare impacts to hotel guests, particularly on the west side of the project.
- An acoustic study was done, and recommendations made for how the existing hotel design can be built with noise insulation such that both daytime and nighttime noise will be at an acceptable level.
- The main entrance was moved from 24th Ave NW to Shilshole Ave N.W. in response to adjacent business concern with traffic operations on 24th Ave NW.
- The now-closed Yankee Diner restaurant on the site has been a valuable part of the community for years. Retaining a restaurant/banquet facility at this location, plus adding a hospitality function can be a benefit to the industrial users.

DECISION – ADMINISTRATIVE CONDITIONAL USE

An administrative conditional use permit to allow the proposed lodging use in the IG2 U/65 zone as portrayed in the submitted plans and accompanying documents is **CONDITIONALLY GRANTED**, subject to the conditions detailed at the end of this document.

ANALYSIS - STATE ENVIRONMENTAL POLICY ACT (SEPA)

This analysis relies on the SEPA Environmental Checklist for the proposed project, prepared April 20, 2005, as well as on the technical environmental reports, and the comments and responses submitted with respect to this document. This decision also makes reference to and incorporates the project plans submitted with the project application.

The Seattle SEPA Ordinance provides substantive authority to require mitigation of adverse impacts resulting from a proposed project (SMC 25.05.655 and 25.05.660). Mitigation, when required, must be related to specific environmental impacts identified in an environmental document and may be imposed only to the extent that an impact is attributable to the proposal, and only to the extent the mitigation is reasonable and capable of being accomplished. Additionally, mitigation may be required only when based on policies, plans and regulations as enunciated in SMC 25.05.665 to SMC 25.05.675 inclusive (SEPA Overview Policy, SEPA Cumulative Impacts Policy, SEPA Specific Environmental Policies). In some instances, local, state or federal regulatory requirements will provide sufficient mitigation of an impact and additional mitigation through SEPA may be limited or unnecessary.

The SEPA Overview Policy (SMC 25.05.665) clarifies the relationship between codes, policies and environmental review. Specific policies for each element of the environment, certain neighborhood plans, and other policies explicitly referenced may serve as the basis for exercising substantive SEPA authority. The Overview Policy states in part that, “where City regulations have been adopted to address an environmental impact, it shall be presumed that such regulations are adequate to achieve sufficient mitigation.” Under specific circumstances, mitigation may be required even when the Overview Policy is applicable (SMC 25.05.665(D)).

Short-Term (Construction-Related) Impacts

Earth

The soils are mapped as glacial till, but may be overlain with a shallow layer of fill. Excavation for the project is anticipated to be about 6,500 cubic yards. Parking will extend 9 feet below existing grade, and foundations will extend below that. Given the proximity to the shoreline, it is likely that dewatering will be required during construction, and potentially after completion of the project. A soils report at the construction phase will need to address foundation, dewatering and soils issues.

The project is on the edge of the Shoreline zone, but will remain outside of the Shoreline zone. The applicant calculated the amount of replacement landscaping and other minor ground work within the Shoreline area, and the amount falls under the threshold for a Shoreline Substantial Development Permit. However, the plans currently show that this grading involves removal of

3,000 s.f. of landscaping within the shoreline zone, and replacement of only 2,000 s.f. of landscaping in this area as part of the proposed reconfiguration of parking. Mature vegetation, including deciduous trees, are being removed on the west property line, and are proposed to be replaced with new landscaping. Within the shoreline environment, the City's policy is no net loss of landscaping. To compensate for the loss of vegetation within the parking area, native vegetation shall be installed at the street end, and all landscaping being planted on the site shall be native vegetation.

Aside from the shoreline environment, no other environmentally critical areas have been identified.

To ensure that significant soil erosion will not occur during construction that otherwise might affect the Shoreline environment, stockpiling, washing of construction equipment and to the extent possible, all other construction staging, shall occur outside the shoreline environment, and the City of Seattle Best Management Practices Manual shall be followed, including the following:

- a) Protect excavation areas during construction by placing plastic sheeting on exposed areas;
- b) Limit open excavation to the shortest time possible;
- c) Protect stockpiled soil by covering it with plastic sheeting;
- d) Stabilize disturbed soils exposed to surface water runoff with straw or hydroseeding;
- e) Provide temporary construction erosion and sediment control measures to be approved by DPD and in place prior to site demolition and grading, such as silt fences, silt socks and/or filter fabric, collection reservoirs and/or sediment ponds, hay bales, rock at construction entrances, etc. Such methods shall be maintained in working order throughout construction.
- f) Inspect catch basins in the street daily;

In addition, the applicant is required to comply with provisions of the City of Seattle Grading and Drainage Ordinance and the Washington State Department of Ecology's Stormwater Management Manual for the Puget Sound Basin.

Air

During construction, construction equipment will generate exhaust emissions. The movement of construction equipment, handling of material, and wind erosion of exposed surfaces could generate fugitive dust. These impacts should be minimal and short-term. The applicant will be required to follow Best Management Practices for construction activities required by the PSCAA, including all reasonable precautions to avoid or minimize fugitive dust emissions. Compliance with the regulations of PSCAA will be sufficient to control those short-term impacts to air.

Water

During construction, accidental discharge of petroleum products, including fuels, oil, grease, hydraulic fluids and lubricants could occur during the excavation project and possibly drain into the soil or shoreline environment. Adverse impacts would depend upon the amount, duration and location of the leakage or spill. The construction contractor will be required to undertake a number of measures to control runoff and to prevent spills or discharges. These measures include the following conditions:

1. All waste, demolition materials, and excavated soils will be transported by licensed hauler in conformance with the requirements of federal, state and local regulations. These materials will be recycled when feasible. Waste that cannot be recycled will be hauled to an approved upland landfill for disposal.
2. Erosion control measures, including the use of silt fences, silt socks and/or filter fabric, collection reservoirs and/or sediment ponds, hay bales, and rock at construction entrances, etc., will be installed prior to performing earthwork on the site and maintained in working order throughout construction.
3. The contractor will comply with the following best management practices for containment and cleanup of spillage or seepage of fuel, oil or hazardous materials during the project:
 - The contractor will keep suitable types and quantities of material, such as contained in a certified spill kit, as well as containers for collecting and covering spills at the site, throughout construction.
 - The contractor will keep equipment of a type and quantity available to contain potential spills from entry into storm drains. The contractor will retain any spill until it is cleaned up or help arrives.
 - Emergency response procedures will be posted at the site and will be followed in case of an accidental spill.
4. Equipment shall be kept in operable, safe and leak-proof condition in order to prevent accidental releases of oil from the equipment.
5. In the event of an accidental spill of fuel or other substance, immediate response will be available by a qualified cleanup contractor.

The applicant shall make the foregoing condition requirements of the construction contract for this project.

Environmental Health

Construction activities would generate particulate matter (PM-10) and small amounts of CO and oxides of nitrogen from construction machinery dust. The sources of particulates would be dust (called “fugitive dust”) from earth moving excavation activities and diesel exhaust.

During construction, construction vehicles and equipment would use fossil fuels and petrochemical-based lubricants. Therefore, there is potential for small spills to occur onto soil.

The contractor shall comply with the following best management practices for possible spills during construction, in addition to erosion and sedimentation control:

1. All hazardous materials shall be provided with waterproof labeling. Materials should be used in well-ventilated areas whenever possible and with appropriate worker protection. All empty containers shall be disposed of according to applicable environmental regulations.

2. High pressure and/or high temperature water washes or steam cleaning may be employed to wash heavy equipment on site. No solvents or thinners should be used for this cleaning. Washing detergents may be used and wash water discharged into sanitary sewers so long as limits set by Metro are not exceeded. Degreasing solvents used on parts shall be reused and/or recycled, but may not be discharged into sewers.
3. A spill control plan will be required in contract specifications for the project. The spill control plan will be implemented and a responsible person identified. The list of agencies to be notified and a summary of the clean-up plan will be clearly posted on site. Specific cleanup instructions will be identified for different materials.
4. Washout from concrete trucks will be disposed of into a slurry pit or other area where the washout can harden and be broken for removal. Washout will not be allowed to enter the sewer or storm drain. Runoff from spray washing of concrete to exposed aggregate will be diverted to a sump or sediment trap and not allowed to enter adjacent public streets or sidewalks.

Noise

The existing sound environment in the project area is dominated by the adjacent industrial use repair activities, as well as by occasional train whistles and vibration, and general traffic noise. Excavation and other construction activities will generate short-term noise. Given the absence of residential uses in the immediate area, the noise ordinance is anticipated to be sufficiently mitigate construction-related noise concerns.

Historic and Cultural Preservation

The project is within the “meander buffer” area, the historic shoreline of the City where grading may potentially uncover historic artifacts from native cultures. Director’s Rule 2-98 outlines a procedure to follow during construction for projects in such areas. Prior to the issuance of the master use permit, information shall be provided as outlined in the Director’s Rule, and Section A or Section B followed during construction based on the findings.

Should any archaeological resources be encountered during excavation, the project will have to comply with Chapters 27.34, 26.53, 27.44, 79.01 and 79.90 RCW and Chapter 25-48 WAC, as applicable. It is reasonable to require a condition that the project applicant or owner make compliance with these statutes and regulations a provision of any construction contracts related to excavation, furnish DPD proof this condition is satisfied prior to commencement of construction, and comply with the process in Appendix A or B, as applicable, to Director’s Rule 2-98 should any archaeological resources be encountered during excavation.

Transportation and Parking

Transportation

An estimated 6,500 cubic yards of excavated materials that will need to be removed from the site. This would generate about 350 truck/trailer loads (700 trips), given a typical 1.3 expansion factor when excavated, and a truck/trailer capacity of 24 cubic yards. At a normal load rate of 8 to 12 trucks per hour, the construction hauling could be accomplished in as little as five 8-hour days.

It is the City's policy to minimize or prevent temporary adverse impacts associated with construction activities.

While the anticipated excavation is short in duration, 8 to 12 truck loads an hour translates to a truck leaving or arriving at the site every 2 to 4 minutes. It would ease congestion in the area to limit hauling during the evening rush area. A condition is detailed at the end of this document prohibiting hauling, deliveries, and movement of heavy construction equipment on city streets after 4 pm on weekdays.

Compliance with this condition shall be included as a requirement of all construction contracts.

Parking

Parking in the area is in high demand by adjacent industrial uses. The 24th Avenue street end is particularly well- used by the adjacent ship yard for both parking and truck maneuvering. To reduce impacts to the adjacent businesses, a parking plan shall be developed that provides for construction parking on site or in a designated off-site lot. To the extent feasible, the Shilshole Avenue NW entrance shall be used for deliveries and truck trips with excavated soils.

Long-Term Impacts

Earth

A general description of the site is included in the Short-term Impacts/Earth above. After construction activities at the site are complete, adverse impacts to earth are not expected. Ongoing compliance with the operational requirements of the Seattle Stormwater, Grading and Drainage Control Ordinance and the Washington State Department of Ecology's Stormwater Management Manual for the Puget Sound Basin should be sufficient to mitigate any long-term, potential significant adverse impacts to earth.

Energy and Natural Resources

No long-term adverse impacts to energy or natural resources are anticipated.

Land Use

The current zoning of the site is General Industrial 2 (IG2). The IG2 zone allows a broader range of uses than the IG1 zone, where the industrial function of an area is less established and where additional commercial activity could improve employment opportunities and the physical condition of the area, without conflicting with industrial activity. The criteria of the Conditional Use Permit for lodging uses on the site have been evaluated as part of the foregoing analysis for the conditional use permit. Land use impacts are adequately considered and mitigated by the conditional use review required for the proposed use.

Height, Bulk and Scale and Views

A view corridor will be preserved on the site as required by code for parcels where a portion of the property is in the shoreline zone. The existing restaurant building on the property limits the areas that would be effective as a view corridor. The proposed view corridor on the triangular western edge of the property is located adjacent to an existing view down 24th Ave NW, and so

creates a wider viewing angle. While the building is proposed at six stories, the design features open parking at the ground level under the building on its western side. The parking in this area is for the restaurant and will be signed as such. As this parking is farther from the restaurant than other parking, it is likely that it will be open some of the time, allowing views under the building for a substantially larger portion of the site than indicated by the view corridor.

Market Street is a SEPA scenic route. Existing buildings along Market Street block the view of the water except for at the intersection of Market street with 24th Ave NW. There is a partial view of the water looking down 24th Avenue NW to the water. The proposed hotel will not impede the existing view from Market street at the intersection of 24th Ave NW.

Transportation and Parking

A trip generation and distribution analysis was completed as part of the proposal (Geraldyn Reinhart, July 2005 and follow-up, November, 2006). The studies evaluate parking demand, as well as trip generation and impact on level of service.

Parking

The study showed that parking demand will potentially be greater than code requirements (estimates for peak demand by the restaurant and hotel vary from 209 spaces to 262 spaces). In response to this, the applicant has added parking to the original proposal to help meet the extra demand. While code requires 143 spaces, and 151 spaces were shown on the original plan, another 60 stalls were added, for a total of 211 spaces, to cover anticipated demand. Note that the existing site contains 135 spaces. In the proposal the number of spaces set aside for the restaurant is 108, a decrease of 27 spaces. However, it is anticipated that some of the patrons for the restaurant would be staying at the hotel, and already parked on the site. Further, the 24th Avenue street end is being improved with approximately 20 angled parking spaces. While there is currently on-street parallel parking in this location, the reconfiguration is anticipated to increase the number of spaces on the street by about 10 stalls.

The project anticipates that special events utilizing the banquet/reception facilities of the restaurant (seating for 216) could create additional demand; the study recommends that if warranted, this be handled through an agreement for off-site valet parking with an adjacent property owner.

It is the City's policy, per SMC 25.06.675 to minimize or prevent adverse parking impacts associated with development projects. To minimize parking overflow issues in the area, the amount of parking shown on the proposal is made a condition of the approval. Additionally a condition is added for creation of a valet parking plan to be utilized for special events, where parking exceeds on-site capacity.

Transportation

As a whole, the existing streets were found to be able to absorb the anticipated trip generation. However, one concern is an existing issue with traffic on Shilshole queuing at the light approaching NW Market Street. This traffic backs across the intersection with 24th Ave NW, causing difficulties for traffic northbound on 24th entering the traffic stream. There is anticipated to be a small increase in the number of cars encountering this situation due to the project (6 evening peak hour trips leaving the site northbound on 24th Ave NW).

As part of planning for the extension of the Burke Gilman trail, the Seattle Department of Transportation (SDOT) is considering reconfiguring the roadway to create a separate 20' circulation road veering off from Shilshole and following the former railroad right-of-way. This would allow the trail, and vehicles traveling from Shilshole Ave NW south onto 24th or west onto NW 54th street, to avoid the problematic intersection of Shilshole and 24th Ave NW approaching Market Street. The reconfiguration could change the grade of the road at the site's access across the former railroad right-of way from Shilshole Ave NW. If constructed, it is likely that the road would run adjacent to a portion of the north boundary of the site. As the existing hotel proposal includes a pedestrian walkway along a portion of its northern property edge, but no landscaping, the juxtaposition of the two could create an unpleasant pedestrian circulation area, unless planning is done for grade separation or other buffer. A condition at the end of this document addresses the need to coordinate with SDOT on future road grade issues as the proposed hotel project proceeds to building permit review.

DECISION - SEPA

This decision was made after review by the responsible official on behalf of the lead agency of a completed environmental checklist and other information on file with the responsible department. This constitutes the Threshold Determination and form. The intent of this declaration is to satisfy the requirements of the State Environmental Policy Act (RCW 43.21C), including the requirement to inform the public agency decisions pursuant to SEPA.

- [X] Determination of Non-Significance. This proposal has been determined to not have a significant adverse impact upon the environment. An EIS is not required under RCW 43.21C.030 2c.
- [] Determination of Significance. This proposal has or may have a significant adverse impact upon the environment. An EIS is required under RCW 43.21C.030 2c.

This application is **APPROVED WITH CONDITIONS.**

CONDITIONS - SEPA

Prior to Issuance of the Master Use Permit

1. Details of the street end improvements, including native landscaping and pedestrian amenities, as outlined in the June 9, 2006 letter from the project proponent, shall be added to the plans.
2. The landscaping plan shall be updated to specify native vegetation for all proposed landscaping and to ensure that there is no net loss of landscaping within 200 feet of the shoreline.
3. Information shall be provided to DPD as outlined in Director's Rule 2-98 regarding potential archeological resources in the area, and the applicant shall add notes to the Master Use Permit plans stating that Section A or Section B of the Director's Rule be followed during construction based on the findings.

Prior to Issuance of Construction Permits

4. Coordinate with the SDOT regarding potential changes to the driveway grade associated with planning for the Burke-Gilman trail and potential spur road from Shilshole Ave NW along the former railroad right-of-way.
5. Ensure that the number of parking spaces shown on the Master Use Permit (211 spaces) remains essentially the same (decrease of no more than 5 spaces allowed) unless documentation is submitted showing that parking demand has decreased from that evaluated under the parking analysis associated with the master use permit.
6. Create and have approved by the DPD land use planner, a construction transportation and parking plan to accommodate construction parking on site or in a designated off-site lot, and to ensure that, to the extent feasible, the Shilshole Avenue NW entrance is used for deliveries and truck trips with excavated soils.
7. Show on the building plans the location of a temporary, durable, highly visible construction fence at the boundary of the shoreline area (minimum 100' from shoreline). All stock piling, storage of construction debris, and washing of construction equipment shall occur outside this area. To the extent feasible, all other construction staging and activities shall also occur outside the 100' shoreline area.
8. The applicant must provide to the City a drainage control plan and soil erosion plan for construction that incorporates City of Seattle Best Management Practices, and complies with the provisions of the City of Seattle Grading and Drainage Ordinance and the Washington State Department of Ecology's Stormwater Management Manual for the Puget Sound Basin. The applicant must provide DPD with confirmation that compliance with the drainage control plan and soil erosion plan (condition 14) will be included as a requirement of construction contracts for the project.
9. The applicant must provide DPD with confirmation that compliance with the measures listed below concerning runoff and spill prevention (conditions 15 and 16) will be included as a requirement of construction contracts for the project.
10. Compliance with the provisions of Chapters 27.34, 26.53, 27.44, 79.01 and 79.90 RCW and Chapter 25-48 WAC, as applicable, shall be made a provision of any construction contracts related to excavation. The applicant will furnish DPD with proof this condition is satisfied prior to commencement of construction. Should any archaeological resources be discovered during excavation for the project, the applicant shall comply with the process set forth in Appendix A or B, as applicable, to Director's Rule 2-98. A copy of Director's Rule 2-98 shall be provided to excavation contractors.

During Construction

11. No hauling of excavated material, heavy deliveries, or movement of heavy construction equipment on City streets shall take place after 4 pm on weekdays.

12. The Shilshole Avenue NW entrance shall be the primary construction entrance. To the extent feasible, this entrance shall be used for all deliveries and truck trips.
13. A drainage control plan and soil erosion plan must be complied with during construction that incorporates City of Seattle Best Management Practices as follows:
 - a) Protect excavation areas during construction by placing plastic sheeting on exposed areas;
 - b) Limit open excavation to the shortest time possible;
 - c) Protect stockpiled soil by covering it with plastic sheeting; no stockpiling shall be allowed within 100' of the shoreline.
 - d) Stabilize disturbed soils exposed to surface water runoff with straw or hydroseeding;
 - e) Provide temporary construction erosion and sediment control measures to be approved by DPD and in place prior to site demolition and grading, such as silt fences, silt socks and/or filter fabric, collection reservoirs and/or sediment ponds, hay bales, rock at construction entrances, etc. Such methods shall be maintained in working order throughout construction.
 - f) Inspect catch basins in the street daily;
14. The applicant and its construction contractor will be required to undertake measures to control runoff and to prevent spills or discharges. These measures will include the following five conditions:
 - a) All waste, demolition materials, and excavated soils will be transported by licensed hauler in conformance with the requirements of Federal, State and local regulations. These materials will be recycled when feasible. Waste that cannot be recycled will be hauled to an approved upland landfill for disposal.
 - b) Erosion control measures, including the use of silt fences, siltsocks and/or filter fabric, collection reservoirs and/or sediment ponds, hay bales, and rock at construction entrances, etc., will be installed prior to performing earthwork on the site and maintained in working order as long as necessary throughout construction.
 - c) The contractor will comply with the following best management practices for containment and cleanup of spillage or seepage of fuel, oil or hazardous materials during the project:
 - The contractor will keep suitable types and quantities of material, such as contained in a certified spill kit, as well as containers for collecting and covering spills at the site, at the site throughout constructions.

- The contractor will keep equipment of a type and quantity available to contain potential spills from entry into storm drains. The contractor will retain any spill until it is cleaned up or help arrives.
 - Emergency response procedures will be posted at the site and will be followed in case of an accidental spill.
- d) Equipment shall be kept in operable, safe and leak-proof condition in order to prevent accidental releases of oil from the equipment.
- e) In the event of an accidental spill of fuel or other substance, immediate response will be available by a qualified cleanup contractor.
15. In addition to any provisions of the erosion and drainage control plan, the following best management practices for possible spills during construction shall be followed:
- a) All hazardous materials shall be provided with waterproof labeling. Materials should be used in well-ventilated areas whenever possible and with appropriate worker protection. All empty containers shall be disposed of according to applicable environmental regulations.
 - b) High pressure and/or high temperature water washes or steam cleaning may be employed to wash heavy equipment on site. No solvents or thinners shall be used for this cleaning. Washing detergents may be used and wash water discharged into sanitary sewers so long as limits set by Metro are not exceeded. Degreasing solvents used on parts shall be reused and/or recycled, but may not be discharged into sewers.
 - c) A spill control plan will be required in contract specifications for the project. The spill control plan will be implemented and a responsible person identified. The list of agencies to be notified and a summary of the clean-up plan will be clearly posted on site. Specific cleanup instructions will be identified for different materials.
 - d) Washout from concrete trucks will be disposed of into a slurry pit or other area where the washout can harden and be broken for removal. Washout will not be allowed to enter the sewer or storm drain. Runoff from spray washing of concrete to expose aggregate will be diverted to a sump or sediment trap and not allowed to enter adjacent public streets or sidewalks.

Prior to Building Permit Final

16. Create and have approved by the DPD land use planner, a valet parking plan for special events that can be utilized when parking is anticipated to exceed on-site capacity.

CONDITIONS – ADMINISTRATIVE CONDITIONAL USE

Prior to Issuance of a Master Use Permit

17. The property owner(s) shall record and sign a covenant of equitable servitude that acknowledges that the owner(s) and occupants of the building accept the industrial character of the neighborhood and agree that the existing or permitted industrial uses do not constitute a nuisance or other inappropriate or unlawful use of land.

Prior to Issuance of Construction Permits

18. The applicant shall submit a marketing plan demonstrating how the hotel will be marketed to industrial and/or marine-related uses in the area. The marketing plan shall include a monitoring component to assess the percentage of use by market segment. The plan and monitoring target shall be 60% of all occupancies throughout the year being related to users within the industrial area, specifically, businesses that are of an industrial and/or marine-related nature, located within the BINMIC or nearby areas.
19. The applicant shall prepare and record a covenant acceptable to DPD that outlines an ongoing monitoring program and steps the hotel will follow if monitoring targets are not met, such as meeting with the BINMIC action committee to obtain strategies to better serve users in the industrial area.
20. Noise insulation shall be incorporated into the project design as recommended in the July 12, 2007 acoustic noise and vibration assessment report by SSA consulting.
21. Black out curtains for all hotel rooms shall be specified on the plans.

Prior to Occupancy

22. The 24th Avenue NW street and street end improvements, including angled parking, landscaping and pedestrian amenities, shall be completed prior to the certificate of occupancy.

For the Life of the Permit

23. The covenant outlined in item 3 shall be followed for the life of the permit.
24. This conditional use permit shall be tied to the specific plans approved under this permit. The size of the hotel and related activities shall be limited to that shown on the approved plans. The amount of parking shown on the plans shall not be decreased, unless expressly approved by DPD.

Signature: (signature on file)
Holly E. Anderson, Land Use Planner
Department of Planning and Development

Date: January 10, 2008