



City of Seattle  
Gregory J. Nickels, Mayor

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**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:** 3009854

**Applicant Name:** Kristen Fritsch of Boxwood for Gerry Pigotti, William Tell Investors, LLC.

**Address of Proposal:** 2327 2<sup>nd</sup> Avenue

**SUMMARY OF PROPOSED ACTIONS**

Land Use Application to change the use of 51 apartments in an existing apartment building (William Tell Apartments) to a 15,982 sq. ft. lodging use (youth hostel). Landmark review conducted by the Department of Neighborhoods.

The following approvals are required:

**Variance** – to allow floor area ratio to exceed maximum of 1.0 in a DMR-R zone.  
(SMC [23.49.011](#) )

**SEPA - Environmental Determination** – SMC Chapter [25.05](#)

**SEPA DETERMINATIONS:**     Exempt    DNS    MDNS    EIS

DNS with conditions

DNS involving non-exempt grading, or demolition, or involving another agency with jurisdiction.

### Site and Vicinity Description

The proposal site is located in the Belltown neighborhood of Seattle. The area is zoned Downtown Mixed Residential/Residential with an 85' maximum height limit and 65' base height limit (DMR/R 85/65). The site is part of the Belltown Urban Center Village. The area contains a mixture of older commercial structures with retail uses and newer residential developments.



**Figure 1.** Location

The site contains a three story structure, known as the William Tell building. The structure was originally constructed in 1924 as a hotel. The immediate vicinity was historically known as “film row,” a location where producers and directors would stay while working on films in the area. The building is considered an excellent example of Spanish colonial revival with significant terra cotta detailing on the front of the building. The building has been designated as a landmark structure, with the exterior of the structure being the feature of significance to be preserved.

Other historic structures are located nearby:

Barnes Building, 2320 1st Ave

Bell Building, 2326 1st Ave

MGM Building, 2331 2nd Ave

The building was recently owned and operated by the Plymouth Housing Group as low income housing, but has been vacant for over a year. The applicant proposes to return the structure to its original lodging use, and operate it as a youth hostel.

### Proposal

The applicant proposes to change the use within the subject structure from residential (51 units) to lodging (15,982 sq. ft.). Minor interior modifications will be made.

A variance from the maximum Floor Area Ratio (FAR) is needed for this change; the underlying zoning, Downtown Mixed Residential/ Residential (DMR/R), allows a maximum Floor Area Ratio of 1. While housing is not counted as chargeable FAR, lodging is considered a commercial use and is counted in FAR. The proposed change from residential to lodging puts the existing structure at an FAR of 1.95.

### Public Comment

DPD received no written comments during the public comment period, which ended on April 15, 2009.

## ANALYSIS - SEPA

The applicant provided the initial disclosure of this development's potential impacts in an environmental checklist signed and dated February 1, 2009. This information and the experience of the lead agency in similar situations form the basis for this analysis and decision. This report anticipates short and long-term adverse impacts from the proposal.

The SEPA Overview Policy (SMC [25.05.665 D](#)) states "where City regulations have been adopted to address an environmental impact, it shall be presumed that such regulations are adequate to achieve sufficient mitigation," subject to limitations. Several adopted City codes and/or ordinances provide mitigation for some of the identified impacts. Specifically these are: the Street Use Ordinance (obstruction of the rights-of-way during construction); Building Code (construction standards); and Noise Ordinance. Compliance with these codes and ordinances will be adequate to achieve sufficient mitigation of potential adverse impacts. Thus, mitigation pursuant to SEPA is not necessary for these impacts. However, more detailed discussion of some of these impacts is appropriate.

### Short-term Impacts

Since the proposed work will be minor and interior to the structure (primarily moving the location of some bathroom doors and fixtures; new carpeting and paint), no significant construction impacts are anticipated, and no mitigation is warranted. (SMC Section [25.05.794](#)).

### Long-term Impacts

Long-term or use-related impacts may result from the proposal, including a minor increase in pedestrian and vehicular traffic associated with a lodging use, a minor increase in airborne emissions due to traffic; an increase in ambient noise due to increased human activity; an increased demand on public services and utilities; and a minor increase in energy consumption.

The anticipated long-term impacts are typical of commercial development and are expected to be mitigated by the City's adopted codes, such as the noise ordinance.

The applicant proposes to use the structure as a youth hostel. Compared to the previous use of low-income apartments, a lodging use may have slightly more activity as travelers less familiar with the area arrive and leave by bus, taxi, and on foot. Since the structure was originally constructed as a hotel, the small lobby with reception desk and manager's apartment on the ground floor provide space for greeting of guests and management of the site. The area is conducive to lodging, as restaurant and other retail uses are located in the vicinity. The new owner wants to highlight the historic use of the structure as part of "film row."

The conversion of the apartments to a lodging use may give rise to concerns about the loss of affordable long-term housing. However, the sale of the building by the previous low-income housing operator, and its vacancy for some months prior, points to the difficulties of operating the property as long-term housing. Since the structure was originally designed as lodging and each unit does not have its own bathroom, it is not set up for modern apartment living. The retrofits necessary to add additional bathrooms and operate the property as housing are not financially feasible, thus its conversion should not be considered an impact of the new use. For more discussion of this, see the analysis under the Variance criteria below.

The other impacts (increased vehicular and pedestrian traffic, increased demand on public services and utilities, and a minor increase in energy consumption) are not sufficiently adverse to warrant further mitigation by conditions.

### **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 requirement of the State Environmental Policy Act (RCW [43.21C](#)), including the requirement to inform the public of agency decisions pursuant to SEPA.

- [X] Determination of Non-Significance. DPD has determined that this proposal does not have a significant adverse impact upon the environment. An EIS is not required under RCW [43.21C.030\(2\)\(C\)](#).
- [ ] 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\(2\)\(C\)](#).

### **ANALYSIS - VARIANCE**

Variances may be authorized only when all of the variance criteria set forth at SMC Section [23.40.020](#) and quoted below are met.

- 1. Because of unusual conditions applicable to the subject property, including size, shape, topography, location, or surroundings, which were not created by the owner or applicant, the strict application of this Land Use Code would deprive the property of rights and privileges enjoyed by other properties in the same zone or vicinity;*

The structure on the site was originally constructed as the “Lorraine Hotel” in 1924. The building was designated as a landmark on April 1, 2009, with the exterior of the structure being the feature of significance to be preserved.

The zoning for this area of downtown is designed to encourage residential, with commercial at the ground level. The maximum Floor Area Ratio allowed is 1.0, with housing being exempt from the calculation. The existing structure is not conducive to housing since individual units do not each have their own bathroom. The structure was operated for a few years as low-income housing by the Plymouth Housing Group, but according to the Chief Operating Officer of Plymouth, renovating the interior of the structure to provide the private bathrooms needed for today’s apartments was not financially feasible given the age of the structure, and the constraints with the likely designation as a landmark. Requiring the structure to be preserved, and yet to be used as housing is a financial hardship and deprives the owner from pursuing both its historic use and its redevelopment to the current zoning potential.

2. *The requested variance does not go beyond the minimum necessary to afford relief, and does not constitute a grant of special privilege inconsistent with the limitations upon other properties in the vicinity and zone in which the subject property is located; and*

The applicant proposes to return the use to its original design and configuration. They are asking for no more of a variance than necessary to keep the original structure as lodging. They are not proposing to expand the structure in any way.

Note that a variance would not be necessary to operate the structure as lodging per its original design, if the use had not been changed to housing for a time; Operating the structure as housing was determined by the previous owner to not be feasible.

3. *The granting of the variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the zone or vicinity in which the subject property is located; and*

Lodging is an appropriate use for the property as it is a permitted use in the zone, and is compatible with housing. It will bring a presence to the currently vacant building. Visitors to the hostel will appreciate the historic tie to the film industry, and be able to frequent area businesses including several new restaurants. Active management and a financially feasible use will prevent the property from deteriorating. The proposed use is in keeping with the City's long term goal for the use of such historic sites for the education, stimulation and welfare of the people of the City.

4. *The literal interpretation and strict application of the applicable provisions or requirements of this Land Use Code would cause undue hardship or practical difficulties; and*

As stated previously, there are practical difficulties with retrofitting the existing structure with the separate bathrooms necessary to utilize the space as housing. The applicant states that retrofits necessary to allow each of the 51 units to have their own bathroom would require the demolition and relocation of a significant amount of walls; this in turn would require seismic retrofitting of the entire building and would trigger greater accessibility standards, such as providing an elevator and better access. This would likely require an addition to the building.

The applicant initially proposed converting only half of the units to lodging. The resulting floor plan showed that many units would share bathrooms down the hall. The kitchens are also extremely limited. While this arrangement is typical of youth hostels, it is not usual in apartments and presents practical difficulties for either rental of the units or operation as low-income housing.

5. *The requested variance would be consistent with the spirit and purpose of the Land Use Code regulations for the area.*

According to SMC 23.34.110, that sets out the intended function of the DMR/R zone, the zone is intended for areas predominantly residential in character, or containing large amount of underutilized land (*e.g. able to be redeveloped for residential*), with non-residential uses of a modest scale or serving the neighborhood. While underutilized, the subject property is not able to be redeveloped for housing. The proposed lodging use is compatible with residential while serving the neighborhood by contributing to a unique local industry – film-making and film promotion—by preserving and enlivening the historic use of the property.

**CONCLUSION - VARIANCE**

The property is subject to an FAR limit of 1.0 per the DMR/R zone. The proposed lodging use within the existing structure would have an FAR of approximately 2.0, exceeding the allowed limit. The landmark designation, along with the existing internal configuration of the structure present practical difficulties in upgrading the site for continued use as housing (which would be exempt from FAR). Thus the director concludes that a variance from FAR standards is warranted to allow the property owner to use the existing structure for lodging, its historic use.

**DECISION – VARIANCE** (Based on plans in the file)

DPD **CONDITIONALLY GRANTS** the requested variance from the maximum Floor Area Ratio of 1 in the DMR/R zone to allow the existing structure to be used as lodging.

**CONDITIONS – SEPA**

None.

**CONDITIONS – VARIANCE**

1. The William Tell Building is granted a variance to allow a Floor Area Ratio of 2.0 for the express purpose of operating a lodging use within the limits of the existing structure. This variance shall continue as long as the structure is preserved as a landmark per the Department of Neighborhoods designation.

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

Date: May 4, 2009