City of Seattle
Edward B. Murray, Mayor

Department of Construction and Inspections
Nathan Torgelson, Director

CITY OF SEATTLE
ANALYSIS, DECISION AND RECOMMENDATION OF THE DIRECTOR OF THE SEATTLE DEPARTMENT OF CONSTRUCTION AND INSPECTIONS

Application Number:	3018442
Applicant Name:	Kevin Cleary, Baylis Architects
Address of Proposal:	10711 8th Avenue Northeast
Council File:	314287

SUMMARY OF PROPOSED ACTION

Council Land Use Action to rezone a 95,027 sq. ft. of portion of land from NC3-40 to NC3-65 (CF# 314287). The property is bounded on the East by 8th Ave NE, on the West by 10700 and 10702 5th Ave NE on the North by 551, 543, and a portion of 539 NE Northgate Way and to the south by 10631 8th Ave NE.

The following Master Use Permit components are required:

Rezone - To rezone from NC3-40 to NC3-65 (Seattle Municipal Code 23.34)

SEPA - Environmental Determination (Seattle Municipal Code Chapter 25.05)

SEPA DETERMINATION:

Determination of Non-significance

☒ No mitigating conditions of approval are recommended by the Director to be imposed by City Council.

☐ Pursuant to SEPA substantive authority provided in SMC 25.06.660, the Director recommends that City Council impose specific conditions on the proposal to mitigate anticipated environmental impacts.

BACKGROUND DATA

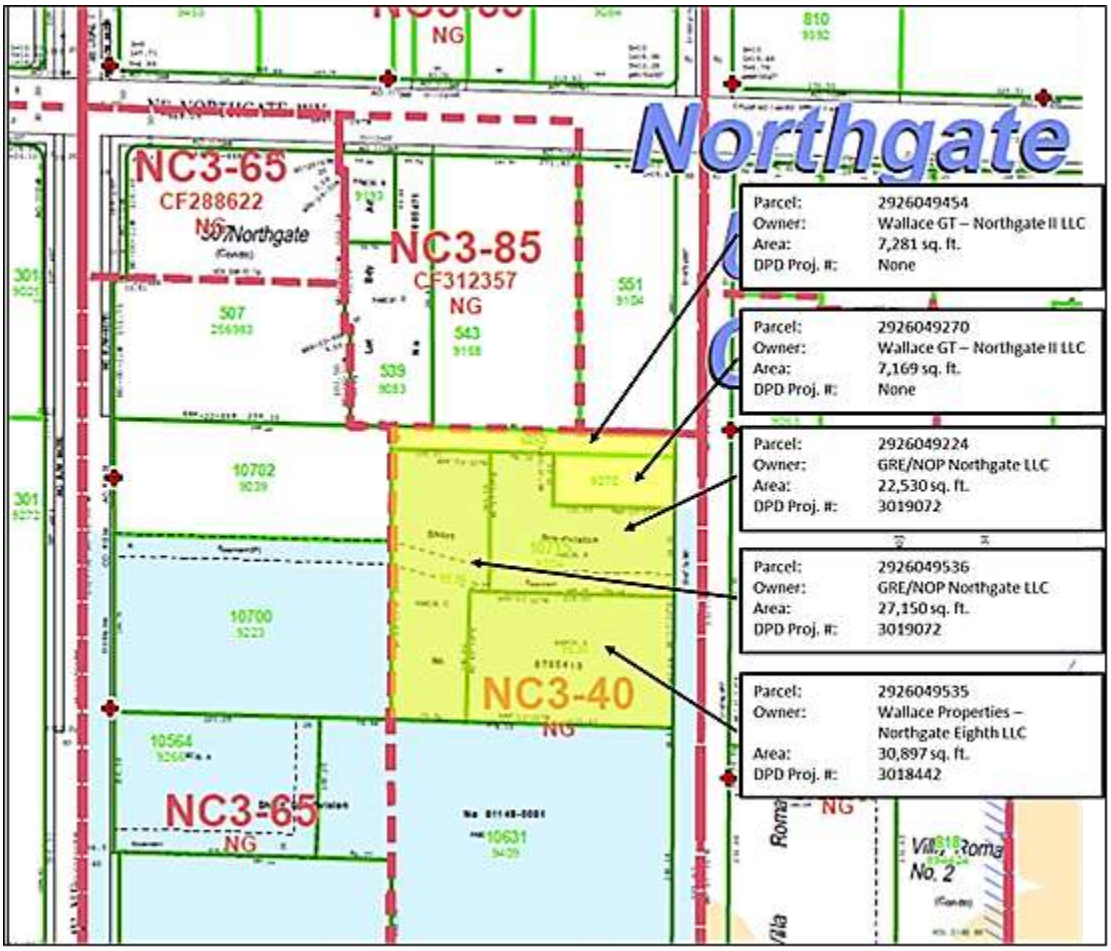
Site and Vicinity Description

The area proposed to be rezoned (the "subject site") is a mid-block property generally identified as 10711 8th Avenue Northeast in the Northgate area of Seattle. This approximately 2.18 acre (95,027 square foot) subject site is a consolidation of five tax parcels, held under two separate ownership groups (Goodman Real Estate aka GRE and Wallace Properties); and bounded by 8th

Avenue Northeast to the east, and commercially-zoned properties to the west, north and south. This square-shaped property is zoned Neighborhood Commercial 3 with a 40' height limit (NC3-40) and located within both the Northgate Urban Center and the Northgate Overlay District.

According to the survey, the subject site is developed with several asphalt surface parking areas, a graveled vacant lot and an existing building, recently used as a beauty school.

The five tax parcels are identified by the following Parcel Identification Numbers (PINs), map and supplementary information:



PIN	Area (sq. ft.)	Address	Owner	Present Use
292604-9535	30,897	10711 8th Avenue Northeast	Wallace Properties – Northgate Eighth LLC	Vacant
292604-9454	7,281	None	Wallace GTE – Northgate II LLC	Roadway Access
292604-9270	7,169	None	Wallace GTE – Northgate II LLC	Surface Parking
292604-9224	22,530	10715 8th Avenue Northeast	GRE/NOP Northgate LLC	Commercial Structure
292604-9536	27,150	10715 8th Avenue Northeast	GRE/NOP Northgate LLC	Surface Parking
Total	95,027			

Vehicular access to the subject site is via several curb cuts along 8th Avenue Northeast and a 24' wide east-west directional through block ingress/egress easement (King County Recording (KCR) numbers 8805200974/8811181014) that abuts both 8th Avenue Northeast and 5th Avenue Northeast. 8th Avenue Northeast is classified as a Non-Arterial street and a partial Green Street Type III pursuant to SMC Chapter 23.53 and 23.71 (Northgate Overlay District) respectively. 5th Avenue Northeast is classified as a Minor Arterial and a Major Pedestrian Street pursuant to the same code citations. 8th Avenue is a paved roadway with curbs, gutters, sidewalks and street trees abutting the subject site. There are also overhead high voltage lines, including transmission lines, along the west side of 8th Avenue Northeast. The Green Street Type III designation does not abut the subject site but commences south of the site. That portion of 5th Avenue Northeast west of the subject site is designated a Major Pedestrian Street: a paved roadway improved with curbs, gutters, landscaped medians, sidewalks and street trees.

Vegetation on the site consists of shrubs and minimal grass. A majority of the site's topography is characterized as descending from west to east, with most of the topographic descent occurring in the southeast portion of the site. The site also descends from north to south, with the southeast quarter of the site approximately 8' to 10' lower than the remaining site with ecology block retaining walls to the west and to the north. Overall, the site is, on average, about ten feet lower than the adjacent property to the west, but level with 8th Avenue NE and properties further to the east. A majority of the southern portion of the site is identified as Environmentally Critical Areas (ECA)-Peat Settlement Prone Areas and slight area at the site's southwest corner is mapped a ECA Steep Slope.

The adjacent, abutting properties to the north and west (along, respectively, Northeast Northgate Way and 5th Avenue Northeast) are zoned Neighborhood Commercial 3 (NC3-65) and Neighborhood Commercial 3 (NC3-85). Properties to the south are zoned NC3-40 along 8th Avenue Northeast and NC3-65 along 5th Avenue Northeast (southwest of the site). Nearby properties across the street and along the east side of 8th Avenue Northeast are zoned Lowrise 3 (LR3). Existing development in close proximity of the proposal site consists of a 70' tall seven-story mixed-use commercial residential development (525 Northeast Northgate Way) and a one-story retail building (551 Northeast Northgate Way) to the north; two one-story with basement multi-tenant retail developments to the west (10700 and 10702 5th Avenue Northeast), and a three-story with basement hospital (Kindred Hospital, 10631 8th Avenue Northeast) to the south. A multiple building, three-story residential development (The Park at Northgate, 10713 Roosevelt Way Northeast) is across the street to the east of the project site.

The general character of this Northgate area and the surrounding blocks is a mix of multifamily-housing, community services, restaurants, retail, and offices. Existing structures in vicinity of the subject site are one-to-eight story commercial developments/parking garages, one-to-eight story residential and mixed-use developments.

The project site is part of an identified Northgate superblock that is evolving. Area amenities surrounding the site include a City public library/community center, Northgate Mall, several retail developments, King County Metro Transit Northgate Station, Beaver Pond Natural Area of Thornton Creek, and the future Sound Transit Light Rail station.

The general character of this area and the surrounding blocks is a mix of retail and residential uses. The general character of this block as it continues south along 8th Avenue Northeast from Northeast Northgate Way are lower-scaled commercial buildings, three to four story residential structures and accessory surface parking areas abutting the street.

Proposal Description

The applicant proposes a rezone to change the zoning designation of a 95,027 sq. ft. property from NC3-40 to NC3-65.

Per the applicant, the purpose of consolidating the properties for this rezone proposal is to avoid inconsistent zoning within the block. There are no changes of use or other development, alterations or demolition proposed as part of this rezone application although some development is proposed. Specifically:

1. An applicant representing GRE (specifically GRE/NOP Northgate LLC) has submitted a Master Use Permit (MUP) application to Seattle DCI (#3019072) with the following project description:

   "Land Use Application to allow a 4-story apartment building with 83 units located over 2 live-work units. Review includes re-striping existing surface parking lot for 41 spaces. Existing structure to be demolished. Early Design Guidance was conducted under project 3017692."

This proposal which includes design review and SEPA land use components is currently being reviewed by Seattle DCI staff. The submitted plans illustrate a proposal sited on portion of the rezone site (PINs 292604-9224 and 292604-9536, 10715 8th Avenue Northeast) that has been presented to be compliant with Land Use Code requirements for development zoned NC3-40 in a Northgate Overlay District. Consequently, this proposal is not dependent on the outcome of this rezone application.

2. The applicant for the rezone proposal has also submitted a Design Review Early Design Guidance (EDG) land use application to Seattle DCI (#3020189) on behalf of Wallace Properties (Wallace Properties – Northgate Eighth LLC) with the following project description:

   "Design Review Early Design Guidance application for a 7-story building containing 148 residential units, and 3 live-work units. Parking for 145 vehicles to be provided at and below grade."

The submitted EDG material illustrates a proposal on the southeast corner of the rezone site (PIN 292604-9535, 10711 8th Avenue Northeast) presented to be developed to the NC3-65 and Northgate Overlay District development standards. This proposal is dependent upon the outcome of this rezone application: however, no MUP has been submitted to Seattle DCI yet.

Since there are no development proposals actively under review by Seattle DCI that are dependent upon Council approval of this rezone application, this rezone application will be based solely on its own merit as an independent proposal.

Public Comments

The required public comment period for this project ended on March 25, 2015. Seattle DCI received a written comment from a citizen requesting to be added to the official notification list for this project. Additionally, Seattle DCI received some written public comments with concerns

that the increased height request would create development not in scale or character of the neighborhood plan intent for 8th Avenue Northeast; impacts to vehicular traffic and circulation, impacts to the pedestrian environment along 8th Avenue Northeast; and an assertion that, if the rezone is granted, a setback should be implemented limiting the proximity of the development to 8th Avenue Northeast to buffer the pedestrian experience from the future building mass.

ANALYSIS - REZONE

Seattle Municipal Code (SMC) Chapter 23.34, "Amendments to Official Land Use Map (Rezones)," allows the City Council to approve a map amendment (rezone) according to procedures as provided in Chapter 23.76, Procedures for Master Use Permits and Council Land Use Decisions. The owner/applicant has made application, with supporting documentation, per SMC 23.76.040.D, for an amendment to the Official Land Use Map. Contract rezones and Property Use and Development Agreements (PUDAs) are provided for in the Code at SMC 23.34.004.A

The applicable requirements for this rezone proposal are stated in SMC Sections 23.34.007 (Rezone evaluation), 23.34.008 (General rezone criteria), and 23.34.009 (Height limits of the proposed rezone).

The applicable portions of the rezone criteria are shown in italics, followed by analysis in regular typeface.

SMC 23.34.007 Rezone evaluation.

A. The provisions of this chapter shall apply to all rezones, except correction of mapping errors. In evaluating proposed rezones, the provisions of this chapter shall be weighed and balanced together to determine which zone or height designation best meets these provisions. In addition, the zone function statements, which describe the intended function of each zone designation, shall be used to assess the likelihood that the area proposed to be rezoned would function as intended.

This rezone is not proposed to correct a mapping error, and therefore the provisions of this chapter apply. In evaluating the proposed rezone the provisions of this chapter have been weighed and balanced together to determine which zone and height designation best meets the provisions of the chapter. Additionally, the zone function statements have been used to assess the likelihood that the proposed rezone will function as intended.

B. No single criterion or group of criteria shall be applied as an absolute requirement or test of the appropriateness of a zone designation, nor is there a hierarchy or priority of rezone considerations, unless a provision indicates the intent to constitute a requirement or sole criterion.

This analysis evaluated the full range of criteria called for and outlined in Chapter 23.34 Amendments to Official Land Use Map (Rezones) as they apply to the subject rezone (listed at the beginning of this "Analysis" section).

C. Compliance with the provisions of this chapter shall constitute consistency with the Comprehensive Plan for the purpose of reviewing proposed rezones, except that Comprehensive Plan Shoreline Environment Policies shall be used in shoreline environment redesignations as provided in SMC Subsection 23.60A.042.C.

The subject property is not located in the shoreline environment and the proposed rezone does not include a shoreline environment redesignation. Therefore, the Comprehensive Plan Shoreline Environment Policies were not used in this analysis.

D. Provisions of this chapter that pertain to areas inside of urban centers or villages shall be effective only when a boundary for the subject center or village has been established in the Comprehensive Plan. Provisions of this chapter that pertain to areas outside of urban villages or outside of urban centers shall apply to all areas that are not within an adopted urban village or urban center boundary.

The entire subject site is located within the Northgate Urban Center with boundaries as established in the Comprehensive Plan. The proposed rezone has been evaluated according to the provisions of this chapter that apply to areas that are inside of urban centers.

E. The procedures and criteria for shoreline environment redesignations are located in Sections 23.60A.042, 23.60A.060 and 23.60A.220.

The subject site is not in the shoreline environment and the proposed rezone is not a shoreline environment redesignation. Thus, the procedures and criteria in Sections 23.60A.042, 23.60A.060 and 23.60A.220 do not apply.

F. Mapping errors due to cartographic or clerical mistakes may be corrected through process required for Type V Council land use decisions in SMC Chapter 23.76 and do not require the evaluation contemplated by the provisions of this chapter.

The subject rezone is not proposed to correct a mapping error and so should not be evaluated as a Type V Council land use decision.

<u>SMC 23.34.008 General rezone criteria.</u>

A. To be approved a rezone shall meet the following standards:

1. In urban centers and urban villages, the zoned capacity for the center or village taken as a whole shall be no less than 125% of the growth targets adopted in the Comprehensive Plan for that center or village.

2. For the area within the urban village boundary of hub urban villages and for residential urban villages taken as a whole the zoned capacity shall not be less than the densities established in the Urban Village Element of the Comprehensive Plan.

The property proposed for rezone is located within the Northgate Urban Center as described in the response to SMC 23.34.007.D.

The growth target listed for the Northgate Urban Center in the Urban Village Appendix A of the Comprehensive Plan is for 2,500 additional dwelling units between 2004 and 2024, and the density sought is 15 dwelling units per acre by 2024. According to the Seattle DCI Urban Center/Village Residential Growth Report (dated October 6, 2015), the Northgate Urban Center has presently achieved only 41% of its residential growth target.

The proposed rezone will not reduce the zoned capacity for the Northgate Urban Center. The proposed rezone will increase zoned capacity and zoned density by allowing for additional building height and residential units.

The proposed rezone is consistent with SMC 23.34.008.A.1 because the increase in zoned capacity does not reduce capacity below 125% of the Comprehensive Plan growth target.

The proposed rezone is consistent with SMC 23.34.008.A.2 because the proposed change would not result in less density for this zone than the density established in the Urban Village Element of the Comprehensive Plan.

B. Match between Zone Criteria and Area Characteristics. The most appropriate zone designation shall be that for which the provisions for designation of the zone type and the locational criteria for the specific zone match the characteristics of the area to be rezoned better than any other zone designation.

Analyses comparing the characteristics of the area to the locational criteria for NC3-40 and NC3-65 zoning can be found in the responses to SMC 23.34.072 and 23.34.078 below. The NC3 zone criteria were the only zone designation considered. Based on the analysis in the responses to the abovementioned sections, the project site is well-suited for maintaining its NC3 designation.

C. Zoning History and Precedential Effect. Previous and potential zoning changes both in and around the area proposed for rezone shall be examined.

The rezone property was annexed into the City of Seattle in 1953. According to Seattle DCI maps dated prior to 1993, the zoning was Commercial 1 (C1-40'). In conjunction with the 1993 adoption of the Northgate Area Comprehensive Plan and Northgate Overlay District, the site was rezoned from C1-40' to NC3-40, which retained the same height limit as had existed for some time prior. The adjacent and surrounding parcels were also rezoned to Neighborhood Commercial designation from Commercial designations, and all existing height limits were retained.

There have been recent zoning changes in the immediate area. During the years 2012 and 2013, the City Council approved rezones for the following properties:

- 11200 1st Avenue Northeast – This site is two blocks west of the project site. It was rezoned from Midrise (MR) to NC3-85 (MUP #3006101/Council File #311240) subject to a Property Use and Development Agreement (PUDA).
- 525 Northeast Northgate Way – This site immediately to the north was rezoned from NC3-65 to NC3-85 (MUP #3014776/ Council File #312357) subject to a PUDA that limits the total structure height to 70'.

D. Neighborhood Plans

1. For the purposes of this title, the effect of a neighborhood plan, adopted or amended by the City Council after January 1, 1995, shall be as expressly established by the City Council for each such neighborhood plan.

The adopted portions of the Northgate Comprehensive Plan can be found in the City of Seattle Comprehensive Plan Adopted Neighborhood Plans section. This Neighborhood Plan was adopted in 1993 and was amended in 2004 (effective 2005) and again in 2012 (Ordinance #123854).

2. ***Council adopted neighborhood plans that apply to the area proposed for rezone shall be taken into consideration.***

The subject property falls within the Northgate Comprehensive Plan North Core Subarea and is covered by the adopted portions of that plan.

3. ***Where a neighborhood plan adopted or amended by the City Council after January 1, 1995, establishes policies expressly adopted for the purpose of guiding future rezones, but does not provide for rezones of particular sites or areas, rezones shall be in conformance with the rezone policies of such neighborhood plan.***

The adopted portions of the Northgate Comprehensive plan include goals and policies that relate to rezones and properties within the Northgate North core subarea:

NG-G2 A thriving, vital, mixed-use center of concentrated development surrounded by healthy single-family neighborhoods transformed from an underutilized, auto-oriented office/retail area.

NG-G4 The most intense and dense development activity is concentrated within the core.

NG-G7 Medium to high density residential and employment uses are concentrated within a 10-minute walk of the transit center, reducing the number and length of vehicle trips and making travel by foot and bicycle more attractive.

NG-P1 Encourage development of the core as a major regional activity center for retail, commercial, office, multifamily, residential, and educational uses with densities sufficient to support transit.

NG-P7 Reduce conflicts between activities and promote a compatible relationship between different scales of development by maintaining a transition between zones where significantly different intensities of development are allowed.

NG-P8 Maintain the character and integrity of the existing single-family zoned areas by maintaining current single family-zoning on properties meeting the locational criteria for single-family zones.

NG-P8.5 Support future potential rezones to higher intensity designations in the North Core Subarea. In considering such rezones, pay particular attention to the development of an environment that creates a network of pedestrian connections and that encourages pedestrian activity, among other considerations associated with a rezone review.

NG-P11 Promote pedestrian circulation with an improved street level environment by striving to create pedestrian connections that are safe, interesting and pleasant.

The proposed rezone will further the vitality of the mixed-use center by increasing residential density in the core commercial area and by promoting livable high-density housing and reducing reliance of vehicle trips to access services and transit.

As noted above, the subject site is in the North Core Subarea of the Northgate Urban Center. The proposed rezone will not affect the surrounding single-family neighborhoods. Rather, it will facilitate intense, dense development within the core, while in turn providing ready access to a variety of goods and services within proximity to the Northgate transit center along well-established transit routes.

The proposed rezone would have minimal if any adverse impact to the transition between the existing Neighborhood Commercial zoning on the site and adjacent properties; or to the lowrise multifamily across the street. The adjacent and remaining NC3-40-zoned parcels adjacent to the subject site to the south, 8th Avenue Northeast and the utility setback associated with the overhead high voltage transmission lines will provide a buffer to the nearby LR3 zones to the south and east of the site. The proposed rezone does not include any single family-zoned properties.

The proposed rezone site is within the North Core Subarea and support of this rezone would allow for increased residential density and increased commercial development within close proximity to the Northgate transit center which is currently within a 10-minute walk from the site. The subject site contains an existing 24' wide paved ingress/egress easement (KCR#s 8805200974/8811181014) that bisects the site and provides an opportunity for a future pedestrian connector between 5th and 8th Avenue Northeast. This pedestrian connection would increase pedestrian activity and provide enhanced access to the Northgate transit center. Additionally, the increased demand for nearby goods and services by the increased density could also reduce the number and length of vehicle trips and make travel by foot and bicycle more attractive.

4. ***If it is intended that rezones of particular sites or areas identified in a Council adopted neighborhood plan are to be required, then the rezones shall be approved simultaneously with the approval of the pertinent parts of the neighborhood plan.***

No neighborhood plan amendment is pending or required. Thus, this criterion is not applicable to the present proposal.

E. Zoning Principles. The following zoning principles shall be considered:

1. ***The impact of more intensive zones on less intensive zones or industrial and commercial zones on other zones shall be minimized by the use of transitions or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred.***

The proposed rezone would result in a gradual change in the intensity of the zoning since the site and the surrounding properties to the north, south and west are now zoned, and would remain zoned as NC3. The proposed rezone would only change the height limit, moving most of the existing transition between 40' height limit and higher height limits (of 65' and 85') to a new line of transition about 314' further to the south. The transition to LR3 zoning east of the site will also be gradual since LR3 zoning effectively has a 40 foot base height limit in this Urban Center and it is separated from the site by 8th Avenue Northeast which is a 60'foot wide right of way.

2. ***Physical buffers may provide an effective separation between different uses and intensities of development. The following elements may be considered as buffers:***
   a. ***Natural features such as topographic breaks, lakes, rivers, streams, ravines and shorelines;***
   b. ***Freeways, expressways, other major traffic arterials, and railroad tracks;***
   c. ***Distinct change in street layout and block orientation;***
   d. ***Open space and greenspaces;***

There are no major elements that would be considered as physical buffers near the transitions between zones for this proposal nor is a physical buffer needed. Minor elements that help separate different uses include the 60 foot right of way between the NC3 and LR3 zoning and overhead high voltage power lines along the west edge of 8th Avenue Northeast which require additional setback for development proposed on the NC3-zoned sites.

3. Zone Boundaries.

a. In establishing boundaries the following elements shall be considered:

(1) Physical buffers as described in subsection E2 above;

(2) Platted lot lines.

b. Boundaries between commercial and residential areas shall generally be established so that commercial uses face each other across the street on which they are located, and face away from adjacent residential areas. An exception may be made when physical buffers can provide a more effective separation between uses.

The proposed zoning (NC3-65) would replace the existing zoning (NC3-40). The existing and proposed zone boundaries align with existing lot lines and street centerlines

The property proposed for rezone is across the street from residentially-zoned (LR3) property although it is currently zoned NC3-40. The proposed rezone does not change the underlying NC3 zone designation and does not alter the established boundaries between the commercial and residential areas.

4. In general, height limits greater than forty (40) feet should be limited to urban villages. Height limits greater than forty (40) feet may be considered outside of urban villages where higher height limits would be consistent with an adopted neighborhood plan, a major institution's adopted master plan, or where the designation would be consistent with the existing built character of the area.

The proposed rezone is located within the Northgate Urban Center and within the North Core Subarea and heights over 40' are consistent with the urban village concept.

F. Impact Evaluation. The evaluation of a proposed rezone shall consider the possible negative and positive impacts on the area proposed for rezone and its surroundings.

1. Factors to be examined include, but are not limited to, the following:

a. Housing, particularly low-income housing;

b. Public services;

c. Environmental factors, such as noise, air and water quality, terrestrial and aquatic flora and fauna, glare, odor, shadows, and energy conservation;

d. Pedestrian safety

e. Manufacturing activity;

f. Employment activity;

g. Character of areas recognized for architectural or historic value;

h. Shoreline view, public access and recreation.

The proposed rezone increases the allowable height but does not generate non-height-related impacts other than typical impacts from development that could result a slight increase in developable floor area. It will not have a direct adverse impact on housing, public services, manufacturing activity, or the character of areas recognized for architectural or historical value. The site is not within or near any shoreline or area subject to a shoreline designation.

Future development will likely be subject to Design Review, which includes review of the pedestrian environment. Pedestrian safety related to specific development proposals will also be regulated by requirements in SMC Chapter 23.53 (Streets and Alleys), SMC Chapter 23.71 (Northgate Overlay), and the Street Improvement Manual.

The additional height is more supportive of commercial development in that the increased density will support existing and future commercial businesses in the subarea.

With specific regard to environmental factors, as detailed below the proposed rezone will not result in any significant adverse impacts:

Noise – No additional noise impacts are anticipated from the proposed change in height. As with any site in the Northgate Urban Center, noise from the anticipated and planned development will be limited to that typically generated by neighborhood commercial and residential activities.

Air quality – No noticeable change in impacts will result from a change in the zoned height limit at this site.

Water quality – No noticeable change in impacts will result from the proposed change in the zoned height limit. Storm water runoff from the associated project will be conveyed to a city drainage system via a stormwater detention system designed in compliance with the City stormwater code. Sustainable design related to water quality will also be attained through compliance with the City green factor requirements and through compliance with other elements of the City codes. The proposed rezone would not create the potential for any more impervious surface than would be possible under existing zoning.

Flora and fauna – The existing site includes virtually no vegetation, landscaping or trees (see aerial photo to the right). At the time of future development, what little vegetation exists will be potentially removed, and replaced with landscaping that meets standards of the land use code. No noticeable change in impacts to flora and fauna will result from the proposed height change, as the site could be redeveloped in substantially the same manner with or without the rezone.

Glare and Odor – No noticeable change in impacts will result from a change in height.

Shadows – While the additional height may create some additional shadows on nearby sites, that effect will likely be very minimal and would mostly occur briefly when the sun is low in the sky later in the afternoon or evening. With regard to the properties to the east along 8th Avenue Northeast, the shadows associated with 65 foot structures would not be expected to be much greater than existing shadows since the existing development west of the rezone area sits on higher ground than the property proposed for rezone.

Future development would likely be subject to design review, which can evaluate shadow impacts of particular design proposals.

Energy –Future development will comply with the City of Seattle energy codes and may perform better than the code requirements due to available programs that incentivize improved energy performance. No adverse impacts to energy are anticipated.

Views – Upon full build-out of the adjacent properties according to their current zoning, there would be no appreciable difference to private views between NC3-40 and NC3-65 zoning, in light of the surrounding topography. A 65 foot tall building built to the west of the site would stand some 10'-15' higher than a 65 foot tall building on the site. The buildings at 507 and 525 Northeast Northgate Way already stand higher than would a 65 foot tall building on the rezone site.

2. ***Service Capacities. Development which can reasonably be anticipated based on the proposed development potential shall not exceed the service capacities which can reasonably be anticipated in the area, including:***
   a. ***Street access to the area;***
   b. ***Street capacity in the area;***
   c. ***Transit service;***
   d. ***Parking capacity;***
   e. ***Utility and sewer capacity;***
   f. ***Shoreline navigation***

The proposed rezone will not exceed the service capacities in the area. In December 2009, the City prepared and issued a programmatic Final Environmental Impact Statement (FEIS) in conjunction with reviewing and potentially modifying the zoning for some properties within the Northgate Urban Center, including the subject site. The City examined a 'No Action Alternative' and three action alternatives (Alternatives 1, 2 and 3) for amending the subarea plan along with other potential code amendments. The subject site is located within Subarea D of the Northgate Urban Center in the FEIS. The alternatives that were evaluated including rezoning of multiple properties to NC3-65 or higher. One alternative evaluated rezoning to 125'. No service deficiencies were anticipated by any of these alternatives which were all contemplating rezones much greater in area than the subject proposal.

The site abuts a wide, paved street that is has low traffic volumes. The increased development will help to leverage future transit investments. Seattle Public Utilities has commented on this proposal in the Preliminary Assessment Report completed 9/5/2014. Water availability has been approved, sanitary sewer and storm water drainage facilities are available to the site and future development will need to comply with standard requirements. Seattle City Light noted that future development may need to provide on-site transformers and made specific note of power line clearance issues. No adverse impacts to utility and sewer capacity are anticipated. The site is not within or near the shoreline environment, therefore shoreline navigation will not be impacted.

G. ***Changed Circumstances. Evidence of changed circumstances shall be taken into consideration in reviewing proposed rezones, but is not required to demonstrate the appropriateness of a proposed rezone. Consideration of changed circumstances shall be limited to elements or conditions included in the criteria for the relevant zone and/or overlay designation in this chapter.***

Since 1993, when the property was rezoned to the current NC3-40, the City adopted its Comprehensive Plan in 1994, establishing growth targets for urban centers and urban villages. The Northgate Urban Center is an integral part of that Plan. Since the adoption of the plan, there have been infrastructure investments in in the area including roadway and transit improvements.

Another changed circumstance is that adjacent property to the north was rezoned from NC3-65 to NC3-85 (with a Property Use and Development Agreement limiting development height to 70').

H. Overlay Districts. If the area is located in an overlay district, the purpose and boundaries of the overlay district shall be considered.

This site is located in the Northgate Overlay District, which includes specific development standards as described in SMC Chapter 23.71. SMC 23.71.002 states that the purpose of the Northgate Overlay District is as follows:

> *"…to implement the Northgate Area Comprehensive Plan by regulating land use and development within the Northgate Overlay District in order to:*
> *A. Create an environment in the Northgate Area that is more amenable to pedestrians and supportive of commercial development; and*
> *B. To protect the residential character of residential neighborhoods; and*
> *C. Support the use of Northgate as a regional high-capacity transportation center."*

The proposed rezone request to allow for an additional 25' of height will allow a greater density in the core of the Northgate urban center, which in turn will increase pedestrian activity, support the subarea's growing commercial center and leverage the City's investment in the Northgate transit center. No significant impacts on surrounding residential neighborhoods are expected.

I. Critical Areas. If the area is located in or adjacent to a critical area (SMC Chapter 25.09), the effect of the rezone on the critical area shall be considered.

As discussed above, a majority of the southern portion of the site is identified as Environmentally Critical Areas (ECA)-Peat Settlement Prone Areas and a slight area at the site's southwest corner is mapped a ECA Steep Slope. Based on review of the geotechnical reports for the subject site, the rezone would not have any direct impact on the identified critical areas. However, redevelopment of the property will require compliance with the regulations of the applicable critical areas.

J. Incentive Provisions. If the area is located in a zone with an incentive zoning suffix a rezone shall be approved only if one of the following conditions are met:

1. ***The rezone includes incentive zoning provisions that would authorize the provision of affordable housing equal to or greater than the amount of affordable housing authorized by the existing zone; or***
2. ***If the rezone does not include incentive zoning provisions that would authorize the provision of affordable housing equal to or greater than the amount of affordable housing authorized by the existing zone, an adopted City housing policy or comprehensive plan provision identifies the area as not a priority area for affordable housing, or as having an adequate existing supply of affordable housing in the immediate vicinity of the area being rezoned.***

The rezone site is not within a zone with an incentive zoning suffix, so this criterion is not applicable.

<u>SMC 23.34.009 Height limits of the proposed rezone</u>

If a decision to designate height limits in residential, commercial, or industrial zones is independent of the designation of a specific zone, in addition to the general rezone criteria of Section 23.34.008, the following shall apply:

A. Function of the zone. Height limits shall be consistent with the type and scale of development intended for each zone classification. The demand for permitted goods and services and the potential for displacement of preferred uses shall be considered.

The NC3 zoning designation assumes intense commercial activity, with nearby residential housing. The proposed rezone request for a height limit of 65' would be consistent with the anticipated size and scale of the adjacent abutting properties to the north and west under NC3-65 zoning: and complementary to the scale of development for the NC3-85-zoned property to the north. The existing transition to lower heights and intensities on properties south and east of the subarea would be maintained and/or addressed during the review of a specific development proposal. Increasing the height limit is not expected to alter the demand for permitted goods and services: or is it expected to displace preferred uses. Commercial uses have historically been established on the project site. The increased height will allow for an increase in residential density or commercial development, which will in turn support existing businesses and transit investments.

B. Topography of the area and its surroundings. Height limits shall reinforce the natural topography of the area and its surroundings, and the likelihood of view blockage shall be considered.

As described above, the subject site slopes gently from west to east and from north to south with the exception of the southeast corner area of site. This portion of the site is approximately 8' to 10' lower than the remaining site and level with the property to the south. The properties immediately west of the site along 5th Avenue Northeast are zoned NC3-65 and sit approximately 10' higher than the site, due to past excavation and grading. The existing 65 foot mixed-use 507 Northgate development adjacent to and northwest of the site is on average 25-to-30' higher than the subject site. The recently-constructed project at 525 Northeast Northgate Way is approximately 15-to-20' higher than the site and has a 70 foot height limit. The proposed rezone will allow redevelopment on the subject site to 65', which will make the roofline lower than most existing and planned adjacent development to the north.

Also, because of the overhead power lines along 8th Avenue Northeast (which themselves block views from the east), any project on the site will be setback from the street, which will provide a transition to properties to the east. Finally, because the site is lower than adjacent properties to the west and north that already have the 65 foot height limit, the 25 foot increase in height on the site will not result in discernible or additional view blockage or shadowing, as shown in the applicant's shadow studies.

C. Height and scale of the area

1. ***The height limits established by current zoning in the area shall be given consideration.***
2. ***In general, permitted height limits shall be compatible with the predominant height and scale of existing development, particularly where existing development is a good measure of the area's overall development potential.***

The proposed rezone will limit redevelopment of the subject site such that it is both consistent with the height allowed under the NC3-65 zoning and the height and scale of existing adjacent and nearby development. The proposed site of the rezone is consistent with abutting properties with established zoning of NC3-65 and NC3-85 (restricted by PUDA to 70').

D. Compatibility with surrounding area

1. ***Height limits for an area shall be compatible with actual and zoned heights in surrounding areas excluding buildings developed under Major Institution height limits; height limits permitted by the underlying zone, rather than heights permitted by the Major Institution designation, shall be used for the rezone analysis.***
2. ***A gradual transition in height and scale and level of activity between zones shall be provided unless major physical buffers, as described in subsection 23.34.008.D.2, are present.***

As stated in response to SMC 23.34.008.D.2 and SMC 23.34.009.A and B above, the proposed rezone will provide essentially the same gradual transition in height to actual and zoned heights in surrounding areas with 8th Avenue Northeast maintaining a transition from higher to lower heights moving west to east.

E. Neighborhood plans

1. ***Particular attention shall be given to height recommendations in business district plans or neighborhood plans adopted by the City Council subsequent to the adoption of the 1985 Land Use Map.***
2. ***Neighborhood plans adopted or amended by the City Council after January 1, 1995, may require height limits different than those that would otherwise be established pursuant to the provisions of this Section 23.34.009 and Section 23.34.008.***

The neighborhood plan as adopted into the Seattle Comprehensive Plan includes policy NG-P8.5: *"Support future potential rezones to higher intensity designations in the North Core Subarea. In considering such rezones, pay particular attention to the development of an environment that creates a network of pedestrian connections and that encourages pedestrian activity, among other considerations associated with a rezone review."* This proposed rezone is consistent with this policy.

RECOMMENDATION – REZONE

Based on the analysis of SMC 23.34.007, 23.34.008 and 23.34.009, and the weighing and balancing of all the provisions in SMC 23.34, the Director **RECOMMENDS APPROVAL** of the proposed rezone from Neighborhood Commercial 3-40 (NC3-40) to Neighborhood Commercial 3-65 (NC3-65).

SEPA ANALYSIS

Environmental review is required pursuant to the Washington Administrative Code (WAC) 197-11, and the Seattle SEPA (State Environmental Policy Act) Ordinance (Seattle Municipal Code (SMC) Chapter 25.05).

The initial disclosure of the potential impacts from this project was made in the environmental checklist submitted by the applicant dated January 21, 2015.

The information in the checklist, pertinent public comment, and the experience of the lead agency with review of similar projects form the basis for this analysis and decision. The Seattle Department of Construction and Inspections has analyzed and annotated the environmental checklist submitted by the project applicant, reviewed the project plans, including site survey, and any additional information in the file.

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, "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 some limitations. Under such limitations/circumstances (SMC 25.05.665) mitigation can be considered. As indicated in the checklist, this action may result in adverse impacts to the environment. However, due to their temporary nature and limited effects, the impacts are not expected to be significant.

The environmental checklist referenced a Final Environmental Impact Statement for a proposal with some similar characteristics which would have rezoned a broader area to a similar height of 65 feet or higher. The Final Environmental Impact Statement (FEIS) was published for the Northgate Urban Center Rezone Final Environmental Impact Statement in 2009. The FEIS identified and evaluated the environmental impacts that could result from rezones in the Northgate Urban Center. That analysis evaluated the direct, indirect and cumulative impacts of the Preferred Alternative and other alternatives. Although the FEIS concluded that none of the alternatives would result in significant incompatibilities or "significant unavoidable land use impacts," the City has yet to adopt any of the alternatives.

Short-term Impacts

As a non-project action, the proposed rezone would not have any short-term impacts on the environment. Future development affected by this legislation would likely be subject to SEPA which would address anticipated short-term impacts on the environment.

Long-term Impacts

Land Use

SMC 25.05.675.J establishes policies to ensure that proposed uses in development projects are reasonably compatible with surrounding uses and are consistent with applicable City land use regulations and the goals and policies set forth in the land use element of the Seattle Comprehensive Plan. Subject to the Overview Policy set forth in SMC Section 25.05.665, the decision maker may condition or deny any project to mitigate adverse land use impacts resulting from a proposed project. Density-related impacts of development are addressed under the policies set forth in SMC 25.05.675 G (height, bulk and scale), M (parking), R (traffic) and O (public services and facilities) and are not addressed under this policy.

As analyzed in the rezone criteria, the department concludes that no adverse land use impacts will occur as a result of the proposal.

Height Bulk and Scale

The proposed rezone would increase the building height requirements from the NC-40 zone to the NC-65 zone. The subject property is large and two property lines are adjacent or within close proximity (across the street) to various edge conditions, some of which may warrant height, bulk and scale mitigation.

South of the site is a hospital (Kindred Hospital) and NC3-40 zoning. East of the site is 8th Avenue Northeast and a residential complex (The Park at Northgate) zoned LR3. Adjacent structures and zoning indicate that a rezone to taller buildings at this site could have potential height bulk and scale impacts on the property to the south and the residential development to the east.

The residential development to the east is buffered from this site by the 8th Avenue Northeast public right-of-way which is a 60' wide and a utility setback requirement for clearance from the transmission lines abutting the project site. The property to the south shares a property line with the proposed rezone property but is in the same zone. The proposed 65 foot height limit is a reasonable transition from the adjacent 40 foot height limit.

Furthermore, Design Review would be required at the project level for most development anticipated on the subject site. The Design Guidelines for the Northgate Urban Center, as adopted or amended, would help to ensure that the function, form, and appearance of new structures are compatible with the vision embodied in the neighborhood plan. These Guidelines encourage the provision of street trees and other plantings, as well as building and site features compatible with the built environment, including the relationship of dimensions such as height, bulk, scale and shadows on public spaces. In addition, one design guideline includes respect for adjacent sites.

Furthermore, Design Review will include consideration of height bulk and scale impacts from any proposed development that exceeds Design Review thresholds. Design Review Guidelines such as CS2-Urban Pattern and Form (CS2.D Height, Bulk and Scale) and DC2-Architectural Concept (DC2.A Massing) would be used to review these impacts. This area is also located within a Neighborhood-specific Design Guideline area ("Northgate"). These Guidelines include specific direction for the Northgate area-specifically 'Super Blocks' and 'Zone Edges'-that supplements the direction in the citywide Design Review Guidelines.

In summary, the proposed rezone is to change the zoning designation of the project site from NC3-40 to NC3-65 which would increase the building height requirements for future development planned for this site. No specific project is proposed as part of this rezone. No significant adverse impacts of the proposal are anticipated. Specific impacts related to height, bulk and scale would be evaluated for any future development that exceeds SEPA and Design Review thresholds. Therefore, the department concludes that no adverse height, bulk and scale impacts will occur as a result of the non-project rezone proposal that would warrant mitigation.

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.

RECOMMENDED CONDITIONS – REZONE

None.

RECOMMENDED CONDITIONS – SEPA

None.

Tami Garrett, Senior Land Use Planner
Seattle Department of Construction and Inspections

Date: January 7, 2016

TYG:rgc
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IMPORTANT INFORMATION FOR ISSUANCE OF YOUR MASTER USE PERMIT

Master Use Permit Expiration and Issuance

The appealable land use decision on your Master Use Permit (MUP) application has now been published. At the conclusion of the appeal period, your permit will be considered "approved for issuance". (If your decision is appealed, your permit will be considered "approved for issuance" on the fourth day following the City Hearing Examiner's decision.) Projects requiring a Council land use action shall be considered "approved for issuance" following the Council's decision.

The "approved for issuance" date marks the beginning of the **three year life** of the MUP approval, whether or not there are outstanding corrections to be made or pre-issuance conditions to be met. The permit must be issued by Seattle DCI within that three years or it will expire and be cancelled (SMC 23-76-028). (Projects with a shoreline component have a **two year life**. Additional information regarding the effective date of shoreline permits may be found at 23.60.074.)

All outstanding corrections must be made, any pre-issuance conditions met and all outstanding fees paid before the permit is issued. You will be notified when your permit has issued.

Questions regarding the issuance and expiration of your permit may be addressed to the Public Resource Center at prc@seattle.gov or to our message line at 206-684-8467.