



City of Seattle
Edward B. Murray, 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: 3018598
Applicant Name: Ian Morrison
Address of Proposal: 450 Alaskan Way S

SUMMARY OF PROPOSED ACTION

Land Use Application to allow an 8-story structure containing 167,000 sq. ft. of office space and 7,200 sq. ft. of retail space. Parking for 45 vehicles to be provided below grade. Existing structures to be demolished. An addendum to the Livable South Downtown Planning Study Environmental Impact Statement has been prepared.

The following approvals are required:

SEPA - Environmental Determination - SMC 25.05

Certificate of Approval – Pioneer Square Preservation Board (SMC 23.66,)

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

*This project includes an Addendum to the Livable South Downtown Planning Study Final EIS, which is adopted with this decision.

BACKGROUND DATA

Location: The subject site is located at the northeast corner of the intersection of S King St. and Alaskan Way S.

Zoning: The property is zoned Pioneer Square Mixed 100/100-120 (PSM-100/100-120).

Size: 26,093 sq. ft. in size.

Environmental Critical Areas: Archaeological Buffer Area, Liquefaction Prone Soils.

Existing Conditions: The proposal site is a rectangular corner lot bounded by S King Street to the south and the Alaskan Way South/Alaskan Way Viaduct to the west. The site is located within the Pioneer Square Preservation District and Pioneer Square Urban Center Village.

The site is currently developed with a two-story parking garage with 156 parking stalls. There is a small private courtyard on the north portion of the site. The topography is essentially flat, with a gentle slope down to the southwest of about 5 feet. There is no alley access on the block, as the original platted right of way on the eastern portion of the site was vacated in 1903 with City Ordinance No. 10379.

Vehicular access to the existing structure is via a curb cut on S. King St. Loading is provided through a separate curb cut on S King St., shared with the adjacent structures on the block. Currently, loading is provided for five vehicles.

The adjacent parcel to the north is the Theatre Building, a two story commercial and office building. On the eastern portion of the block are the seven-story Hambach Building, seven-story Seller Building, and five-story Schwabacher Building.

The immediate vicinity is characterized by both historic structures from the Pioneer Square historic era and more recent structures that reference this style. Typical architectural elements include solid massing, an extensive use of brick, punched fenestration, substantial store-front windows, and strong cornice lines. Adjacent uses are primarily commercial and mixed-use. The Elliot Bay Trail and waterfront-related industrial uses are across Alaskan Way S to the west; residential uses and Century Link Field are within a 3-block vicinity of the site.

Proposal Description

The applicant is proposing to construct an 8-story commercial building with 155,000 sq. ft. of office space, together with approximately 9,500 sq. ft. of retail space at the ground floor. Parking for 48 vehicles will be provided below grade. The project includes demolition of the existing 2-story parking garage and excavation of approximately 24,000 cu. yds. of soil.

Pursuant to SMC 23.66, the Department of Neighborhoods (DON) Director, in consultation with the Pioneer Square Preservation Board (PSPB), is in the process of reviewing a Certificate of Approval for the project. (DON application on file with DPD.)

Additional Information

The project site is directly adjacent to the Alaskan Way Viaduct. Washington State Department of Transportation (WSDOT) and the City of Seattle are proposing to demolish the existing Viaduct (SR-99) and construct street improvements (Waterfront Project). All work associated with the Waterfront Project shall occur under a separate permit.

The project also includes improvements to those portions of the sidewalks that abut the subject site. The applicant has submitted an application (#250132) to the Seattle Department of Transportation (SDOT) requesting improvements within the adjacent Alaskan Way South and South King Street right of ways. The DON Director, in consultation with the Pioneer Square Preservation Board, shall review a Certificate of Approval for the project's proposed improvements within the right of ways.

Public Comments

The public comment period for this proposal ended on January 11, 2015. DPD received no public comment on the proposal.

Additional public notice regarding the review of the project by DON was issued association with the PSPB meetings. Several public briefings regarding the proposals have been held on the following dates: August 20, 2014; December 3, 2014; March 4, 2015; and July 1, 2015.

ANALYSIS - SEPA

A Final Environmental Impact Statement (FEIS) was published for the Livable South Downtown Planning Study proposal in May, 2008. The FEIS identified and evaluated the probable significant environmental impacts that could result from changing the height and density requirements in several downtown zones. That analysis evaluated the direct, indirect, and cumulative impacts of the Preferred Alternative and alternatives.

The subject site is within the geographic range that was analyzed in the FEIS and is within the range of actions and impacts that were assessed as part of the various alternatives. The proposed development lies within the PSM 100/100-130 zoning district and the environmental impacts of a height increase to 100 feet at the project site were adequately evaluated as part of the non-project FEIS. DPD determined that it is appropriate to adopt the FEIS and prepare and EIS Addendum to add more, project-specific information related to the proposed development.

DPD has identified and adopts the FEIS prepared for and in conjunction with amendments to the Land Use Code, Seattle Municipal Code section 23.49, concerning Downtown Seattle. DPD relies on SMC 25.05.600, allowing the use of existing environmental documents as part of its SEPA responsibilities with this project. DPD has determined that the proposed impacts for this Master Use Permit are identified and analyzed in the referenced FEIS; however additional analysis is warranted as permitted pursuant to SMC 25.05.625-630, through an Addendum to the FEIS.

The EIS Addendum and related documents addressed the environmental impacts related to Transportation and Parking.

An Addendum analyzing these areas of environmental impact was prepared and the Notice of Adoption and Availability of Addendum (“Addendum to the Final Environmental Impact Statement for the Livable South Downtown Planning Study”) was published in the City’s Land Use Information Bulletin on July 20, 2015. A copy of the Addendum was sent to parties of record that commented on the EIS. In addition, a copy of the notice was sent to parties of record for this project.

The initial disclosure of the potential impacts from this project was made in the environmental checklist dated 12/15/2014. The Department of Planning and Development has analyzed and annotated the environmental checklist submitted by the project applicant, reviewed the project plans and any additional information in the file, and pertinent comments which may have been received regarding this proposed action have been considered.

Seattle Municipal Code (SMC) Section 25.05.665(D), the SEPA Overview Policy, 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). Per SMC 25.05.665. D. 1-7, mitigation can be considered for specified limitations and/or circumstances. Therefore, a more detailed discussion of some of the anticipated impacts is appropriate.

Codes and development regulations applicable to this proposed project will provide sufficient mitigation for many short and/or long term impacts. Applicable codes may include the Stormwater Code (SMC 22.800-808), the Grading Code (SMC 22.170), the Street Use Ordinance (SMC Title 15), and the Seattle Building Code. Puget Sound Clean Air Agency regulations require control of fugitive dust to protect air quality. Additional discussion of short and long term impacts, and conditions to sufficiently mitigate impacts where necessary, is found below.

ENVIRONMENTAL IMPACTS

The following is a discussion of environmental elements that warrant additional discussion of impacts and mitigation. The impacts detailed below are separated into two sections:

1. Those that were identified and analyzed in the FEIS with more specific project-related discussion in the 2015 Addendum, and
2. Those that were identified in the MUP 3018598 SEPA Checklist and related documents.

Short Term Impacts Not Identified in the 2008 FEIS

The following temporary or construction-related impacts are expected: temporary soil erosion; decreased air quality due to increased dust and other suspended air particulates during excavation, filling and transport of materials to and from the site; increased noise and vibration from construction operations and equipment; consumption of renewable and non-renewable resources; disruption of utilities serving the area; and conflict with normal pedestrian movement adjacent to the site. Compliance with applicable codes and ordinances will reduce or eliminate most adverse short-term impacts to the environment.

Greenhouse Gases

Construction activities, including construction worker commutes, truck trips, the operation of construction equipment and machinery, and the manufacture of the construction materials themselves, result in increases in carbon dioxide and other greenhouse gas emissions which adversely impact air quality and contribute to climate change and global warming. While these impacts are adverse, they are not expected to be significant.

Earth

Approximately 24,000 cubic yards of grading is proposed with this project. As noted above, the site is within a designated ECA liquefaction zone. The Stormwater Code requires the submission of a soil study to evaluate the proposed development at the time of shoring, excavation, or building permit review. The applicant submitted a geotechnical engineering study with this application (GeoEngineers, *Geotechnical Master Use Permit Report*, 12/14/2014).

This report and any other required information for Liquefaction ECA review will be reviewed by DPD Geotechnical Engineers at the time of any future construction, shoring and excavation permit applications. The requirements of the Stormwater Code are determined to be sufficient to mitigate any impacts to the Liquefaction ECA, and no additional mitigation is warranted pursuant to SEPA policies.

Construction Parking and Traffic

The area includes limited and timed or metered on-street parking. Additional parking demand from construction vehicles would be expected to further exacerbate the supply of on-street parking, particularly on dates with events at the two sports stadiums in the immediate vicinity of the project. It is the City's policy to minimize temporary adverse impacts associated with construction activities. This temporary demand on the on-street parking in the vicinity due to construction workers' vehicles may be adverse.

The site is located adjacent to the Alaskan Way Ave arterial and near several other arterials and side streets that are often congested, especially at peak travel hours. During construction a temporary increase in traffic volumes to the site will occur, due to travel to the site by construction workers and the transport of construction materials. Approximately 24,000 cu. yds. of excavation is estimated. Excavation and grading activity could require approximately 1,200 round trips with 20-yard hauling trucks. The area around the construction site is marked by primary arterials, non-arterial streets and limited access routes coupled by two sports stadiums that generate large amounts of traffic. The ingress and egress of trucks, personnel, and equipment may adversely impact circulation on the surrounding streets.

To mitigate construction traffic and parking impacts pursuant to SMC 25.05.675.B (Construction Impacts Policy), a Construction Management Plan for parking and truck haul routes is required.

The Construction Management Parking portion of the plan shall demonstrate the location of the site, the peak number of construction workers on site during construction, the location of nearby parking lots that are identified for potential pay parking for construction workers, the number of stalls per parking lot identified, and a plan to reduce the number of construction workers driving to the site. This plan is subject to review and approval by the DPD Land Use Planner.

The Construction Haul Route portion of the plan shall identify haul routes and written approval of the haul routes from Seattle Department of Transportation.

The approved Construction Management Plan for construction parking and construction haul route is expected to adequately mitigate adverse impacts of the proposed construction. Compliance with Seattle's Street Use Ordinance is expected to mitigate any further adverse impacts to traffic which would be generated during construction of this proposal.

Short Term Impacts Identified in the 2008 FEIS

Environmental Health

Records indicate that the site was a gasoline service station prior to 1950. No known releases have been recorded on the property, and no known remaining underground storage tanks remain. However, the potential exists for discover of contaminated soils and/or groundwater during excavation. If not properly handled, contamination could have an adverse impact on environmental health.

Given the possibility of contaminated soils and groundwater, a Preliminary Environmental Construction Contingency Plan was developed by GeoEngineers (*Merrill Place Preliminary Environmental Construction Contingency Plan for Soil and Groundwater Management*, No. 21579-002-01, 3/6/2015) to provide procedures for identifying, handling, and disposing of contaminated material during excavation of the site.

Mitigation of contamination and remediation is in the jurisdiction of Washington State Department of Ecology (“Ecology”), consistent with the City’s SEPA relationship to Federal, State and Regional regulations described in SMC 25.05.665.E. This State agency Program functions to mitigate risks associated with removal and transport of hazardous and toxic materials, and the agency’s regulations provide sufficient impact mitigation for these materials. The City acknowledges that Ecology’s jurisdiction and requirements for remediation will mitigate impacts associated with any contamination. Any soil pollution encountered during the construction process would be cleaned up in a manner consistent with State Department of Ecology regulations at that time. No additional mitigation is required.

Long-term Impacts Identified in the FEIS

The following is a discussion of the impacts identified in elements of the environment that were either analyzed in the Addendum or noted as potentially adverse in the annotated SEPA checklist, along with indication of any required mitigation for the impacts disclosed. The impacts detailed below were identified and analyzed in the FEIS.

Height, Bulk, and Scale

As authorized in the PSM 100/100-130 zone, the project will be 100’ in height. The project shall comply with the applicable Code and special review district regulations for permitted heights (SMC 23.66.140.C).

The FEIS recommended strategies to mitigate the impacts of additional height, bulk, and scale for new development that conforms to the new zoning designation. Most of these strategies are implemented through the Land Use Code development standards and the requirement that specific project proposals are evaluated according to the Pioneer Square Preservation District guidelines that address building bulk.

The proposal is located within the Pioneer Square Preservation District, and is currently under review with the Pioneer Square Preservation Board, per SMC 23.66. The applicant presented briefing to the Board regarding the project’s height, bulk, and scale (briefings on file with DON). Given the Board’s extensive review of the project, the Board’s guidance, and the requirement to obtain a final Certificate of Approval for the project, no further mitigation pursuant to 25.05.675.G is warranted.

Historic and Cultural Preservation

The SEPA Historical Preservation Policies provide authority to mitigate impacts to historic buildings (SMC 25.05.675.H.2). Special review district boards, such as the PSPB, have been established to protect certain historic areas, such as the Pioneer Square Preservation District (District) (SMC 25.05.675.H.1.d). Projects within the District are subject to development controls and review by the Board. The subject site and project lies within the District. Under

SMC 23.66, no construction of a new structure or demolition of an existing structure is allowed in the District without a Certificate of Approval from the DON after consultation and recommendation of the Board.

The Board has reviewed the proposed design multiple times, including the exterior elevations, massing, circulation, loading, and access. Given the review by the City's designated special review Board, pursuant to SMC 25.05.675.H.d, no further mitigation is warranted.

Parking

SMC 25.05.675M requires that the Director assess the extent of adverse impacts of parking and the need for mitigation. The FEIS analysis considered the direct, indirect and cumulative impacts of the EIS alternatives as they relate to the overall parking impacts from the alternatives for additional height and density in the Downtown zones. The subject site is within the area analyzed in the EIS and the proposed development is within the range of actions and impacts evaluated in the EIS.

The existing parking on site consists of 133 public paid parking spaces. The existing parking is proposed for demolition.

A parking analysis was submitted that assesses the expected parking demand and supply. Based on the estimated parking demand for the proposed used, the peak parking demand on site is an estimated 165 vehicles. The Transportation Analyses noted that parking will be provided for 45 spaces. A spillover of 120 spaces is anticipated.

The Addendum discusses the availability of alternative modes of transportation in close vicinity to the proposed project site, including the King Street Station (a regional transit facility), the First Hill Streetcar, and numerous bus routes operated by King County Metro. The emphasis on multi-modal transportation systems is consistent with the Comprehensive Plan policies, the SEPA Policies (SMC 25.05.675.M) and development standards for the Downtown Urban Center.

SMC 25.05.675.M.2 prohibits exercising SEPA authority to mitigate for parking impacts in downtown zones, even if parking impacts were identified. Therefore, no further mitigation is warranted.

Traffic

SMC 25.05.675R requires that the Director assess the extent of adverse impacts of traffic and transportation and the need for mitigation. The FEIS analysis considered the direct, indirect and cumulative impacts of the EIS alternatives as they relate to the overall transportation system. The subject site is within the area analyzed in the EIS and the proposed development is within the range of actions and impacts evaluated in the EIS.

Traffic analyses associated with the proposed development were reviewed by DPD, as described in the Addendum. The May 2015 traffic analysis found that the proposed development would result in approximately 740 new daily vehicle trips with 96 new vehicle trips during the AM peak hour and 93 new vehicle trips during the PM peak hour.

Traffic analyses associated with the proposed development were reviewed by DPD, as described in the Addendum (TranspoGroup). The February 2015 traffic analysis and updated analysis dated May 2015 found that the proposed development would result in approximately 740 new daily trips, including 96 AM peak hour trips and 93 PM peak hour trips. This is within the range of potential trips analyzed in the FEIS.

The study also examined impacts to nearby intersections and corridors in the project vicinity. Level of service (LOS) analysis was performed for 5 nearby intersections. The analysis for the “future with-project” scenario showed that during the weekday AM and PM peak hour, the addition of project traffic results in all location operating at the same LOS with the exception of the 1st Avenue S/S King Street intersection, which is anticipated to degrade from LOS D to LOS E during the AM peak hour and LOS C to D during the PM peak hour. In addition, while the LOS at the intersection of 1st Ave S/S Main Street is anticipated to operate at a LOS F with or without the project during the PM peak hour, the increase in delay is anticipated to be 11 seconds.

The traffic impacts of the proposed development warrant mitigation per SMC 25.05.675.M. The 2015 Addendum discusses mitigation measures consistent with those discussed in the 2008 FEIS. Mitigation measures analyzed in the Addendum and warranted with the proposed development included a Transportation Management Plan for the building after occupation, and signal timing and optimization.

A Transportation Management Plan and pro-rata share for signal optimization if warranted by SDOT shall be required prior to issuance of the building permit. These conditions are expected to adequately mitigate the adverse traffic impacts from the proposed development.

Long Term Impacts Not Identified in the 2008 FEIS

Long-term or use-related impacts are also anticipated as a result of approval of this proposal including: increased bulk and scale on the site; increased traffic in the area; historic and cultural preservation; increased demand for parking; and increased light and glare. Compliance with applicable codes and ordinances will reduce or eliminate most adverse long-term impacts to the environment.

However, due to the size and location of this proposal, greenhouse gas emissions, and historic preservation impacts warrant further analysis.

Greenhouse Gas Emissions

Operational activities, primarily vehicular trips associated with the project and the project’s energy consumption, are expected to result in increases in carbon dioxide and other greenhouse gas emissions which adversely impact air quality and contribute to climate change and global warming. While these impacts are adverse, they are not expected to be significant.

Glare

The adjacency applicant submitted a glare study (*Glare Diagrams*, NBBJ, 3/10/2015) demonstrating that even with the northern-most sunlight of the year, there will be no glare that will directly affect drivers traveling north on the Alaskan Way viaduct. No glare impact on southbound drivers is expected, as southbound driving lanes are on the sheltered lower deck of the viaduct. No further mitigation is warranted.

Archaeological Significance

The entire site lies within an archaeological buffer zone, as determined by the US Government Meander Line. Background research did not identify any recorded archaeological sites within the project; however, the project retains the potential to contain undiscovered archaeological sites. Director's Rule (DR) 2-98 provides clarification of State Environmental Policy Act (SEPA) Historic Preservation Policy for potential archeologically significant sites in Seattle (SMC 25.05.675.H) and requirements for archeological assessments. The Director's Rule places requirements on construction for projects that include ground disturbance.

The applicant has provided a Monitoring and Unanticipated Discovery Plan, (Cardno, 1/29/2015) that recommends archaeological monitoring to be conducted during ground disturbing work. In the event that historic or cultural resources are inadvertently discovered during the project, construction would be temporarily halted in the immediate vicinity of the identified resources and the City, DAHP, and affected Tribes would be notified. Mitigation and/or avoidance measures would be negotiated with the City, DAHP, and other stakeholders. No additional mitigation is required.

DECISION – SEPA

The proposed action is **APPROVED WITH CONDITIONS.**

CONDITIONS – SEPA

Prior to Issuance of a Demolition, Grading, or Building Permit

- 1) The applicant shall provide a copy of a Construction Haul Route, approved by Seattle Department of Transportation. This plan shall limit the amount of trips to and from the site to avoid the peak hours of adjacent street traffic, specifically 6-9 AM and 4-7 PM on weekday.
- 2) A Construction Parking Plan, approved by the Land Use Planner (katy.haima@seattle.gov), shall be required.
- 3) A Transportation Management Plan shall be provided by the applicant and approved by the DPD Transportation Planner (John Shaw at john.shaw@seattle.gov) and the Seattle Department of Transportation.

Prior to Issuance of a Building Permit

- 4) Provide documentation indicating SDOT's determination on signal optimization. If SDOT determines signal optimization is warranted, the project shall pay a pro rata share.

During Construction

- 5) If resources of potential archeological significance are encountered during construction or excavation, the owner and/or responsible parties shall:
 - a. Stop work immediately and notify DPD (Katy Haima, 206-684-4193 or katy.haima@seattle.gov) and the Washington State Archaeologist at the State Department of Archaeology and Historic Preservation (DAHP). The procedures outlined in Appendix A of Director's Rule 2-98 for assessment and/or protection of potentially significant archaeological resources shall be followed.
 - b. Abide by all regulations pertaining to discovery and excavation of archaeological resources, including but not limited to Chapters 27.34, 27.44, 27.53, 79.01 and 79.90 RCW and Chapter 25.48 WAC, as applicable, or their successors.
- 6) The applicant or their contractor will ensure that open and safe pedestrian routes adjacent to the site are maintained in a manner approved by SDOT. A SDOT determination that this requirement is not feasible during a period or periods of construction will temporarily override this Condition.

Signature: retagonzales-cunneutubby for _____ Date: August 24, 2015
Katy Haima, Land Use Planner
Department of Planning and Development

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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 DPD 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.