

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

Project Proposal: Amendments to the Land Use Code, Section 23.72.010 (Sand Point Overlay District) to exempt dwelling units built within a formally-designated contributing structure located in the Naval Station Puget Sound Sand Point Historic District from the 200 dwelling unit maximum established in that district.

Project Sponsor: City of Seattle Office of Housing (OH)

Location of Proposal: Naval Station Puget Sound Sand Point Historic District

SUMMARY OF PROPOSED ACTION

The Office of Housing (OH) is proposing amendments to the Land Use Code that would accommodate exemptions of certain kinds of dwelling units from a 200-dwelling unit maximum that pertains to housing for the formerly homeless. The intent of these provisions is to accommodate future possible renovation and reuse of Building 9 for housing purposes, consistent with the intent of the Comprehensive Plan and the Sand Point Overlay District.

The following approval is required:

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

SEPA DETERMINATION Exempt DNS MDNS EIS

 DNS with conditions

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

BACKGROUND

The Sand Point Overlay District (Seattle Municipal Code 23.72) statement of purpose indicates the area should be integrated into the city as a multi-purpose regional center that provides opportunities for recreation, education, arts/culture and community activities, increased access to shorelines and natural areas, opportunities for affordable housing and community and social services with a special priority to addressing the needs of homeless families, and expanded opportunity for low-impact economic development.

The Overlay District covers the area from Sand Point Way eastward by 1-2 blocks, bordering Magnuson Park which lies immediately to the east. A Historic District defines approximately the first block east of Sand Point Way within the Overlay District. Building 9 lies within the approximate center of this area, between NE 70th and 74th Streets, and is one of the most prominent built features viewed from Sand Point Way. Building 9 is a low-scaled former barracks, wood-frame two-story building clad in brick that is in a state of disrepair due to lack of use and age, circa 1929. Its size (223,500 square feet) and condition has discouraged its reuse, but an intent to renovate it for market-rate housing has advanced to the point that a renovation is likely to proceed in the near future if regulatory and permitting matters are clarified.

Ordinance 123267 in 2010 the City amended the “Sand Point Amendments” to the City’s Comprehensive Plan to add a policy LU 6.5 for Sand Point, to allow residential uses in Building 9 and permit limited commercial uses in portions of this existing building that are not suitable for residential use, as a way to use the space efficiently and to generate revenue that can reduce the cost of the housing provided.

Proposal Description

Section 23.72.010 of the Land Use Code, addressing development standards and density, indicates that a maximum of 200 dwelling units may be established within the Overlay District. However, it also indicates that residential uses provided the University of Washington shall not count toward that maximum residential density. Other documents (“Sand Point Amendments” attached to the City’s Comprehensive Plan, ref: City Ordinance 118622) clarify that this residential maximum was intended to place limits on the amount of housing for the formerly homeless. This proposal would clarify this section of the Land Use Code to explicitly exempt housing uses within a formally designated contributing structure in the Historic District from counting against the 200-dwelling unit maximum.

ANALYSIS - SEPA

This proposal is an adoption of legislation and is defined as a non-project action. This action is not specifically listed as a Categorical Exemption (SMC 25.05.800); therefore it must be analyzed for probable significant adverse environmental impacts. A threshold determination is required for any proposal that meets the definition of “action” and is not categorically exempt.

The disclosure of the potential impacts from this proposal was made in an environmental checklist submitted by the proponent, dated June 29, 2012. This threshold determination is based on:

- *the proposal*, as described above and in memoranda;
- the information contained in the *SEPA checklist*;
- additional information, such as analyses prepared by City staff;
- review of pertinent codes and documents; and
- the experience of DPD staff in reviewing similar documents and actions.

This proposal would amend the Land Use Code with implications on future development that potentially might generate environment impacts, and thus warrants further discussion.

ELEMENTS OF THE ENVIRONMENT

Adoption of the proposed Land Use Code amendments would result in no immediate adverse short-term impacts (construction related) because the adoption of the subject legislation would be a non-project action. The discussion below evaluates the potential long-term impacts that might result from differences in future development patterns due to the proposed amendments.

Natural Environment

Earth, Air, Water, Plants and Animals, Natural Resources, Environmentally Sensitive Areas, Noise, Releases of Toxic or Hazardous Materials

The proposed amendments are unlikely to result in significant adverse impacts related to earth, air, water, plants/animals, fisheries, energy, natural resources, sensitive areas, noise, or releases of toxic/hazardous substances. The proposed amendment is a non-project action.

Earth, Water, Plants and Animals, Natural Resources, Environmentally Sensitive Areas

Adverse impacts to plants, animals, water-related features, natural resources and environmentally sensitive areas are not likely because the intended allowance for Building 9 renovation processes would be unlikely to generate significant adverse disturbances to the site. Future development could result in grading, new landscaping, and removal of vegetation in the immediate Building 9 vicinity; the exact degree of disturbance is not known, but the existing policies and rules governing contributing buildings would tend to limit the potential for site disturbance or building expansion due to the restrictions on how the building's exterior may be changed. This means larger excavations for activities such as major building additions are not likely.

Future environmental and permit review processes would be expected to identify such disturbance and evaluate it, as part of phased review. Future potential development also would be subject to the City's existing regulations, including but not limited to the Stormwater, Grading and Drainage (or successor) ordinance(s), and the Environmentally Critical Areas Ordinance.

The most probable outcome is that future development would result in only slight-to-modest levels of disturbance, which would limit the probable discharges to the natural environment to minor levels. This includes an interpreted minimal potential for indirect disturbance to sensitive areas such as the wetlands located several hundred feet southeast of the Building 9 site. The distance, plus the probability of adequate controls being implemented to prevent migration of pollutants or eroded materials to the wetlands, supports this interpretation. The Building 9 site vicinity is not known to possess any unique plant, animal or water features with high habitat value.

Air Quality, Toxic/Hazardous Materials

Minor discharges to air could occur if future renovation of Building 9 was accommodated, due to future construction activities and later occupation/operation of Building 9 as housing. Renovation activities could and likely would require removal of hazardous materials such as asbestos and conceivably other toxic/hazardous materials, due to the building's age and nature of original construction. Asbestos removal would require permits, such as from the Clean Air

Agency, and the associated rules and permit conditions would be assumed to induce compliant demolition/renovation/construction practices with respect to asbestos. To the extent other toxic/hazardous materials are present, the fact that renovation actions would not completely demolish the structure, and the necessity to comply with worker safety provisions, would tend to limit the potential for other adverse releases of toxic materials during renovation processes. This topic would also be under the purview of future environmental review of a project-related proposal.

Noise

Future potential renovation activities accommodated in Building 9 could generate elevated noise levels in the surrounding vicinity, which would include areas that are part of Magnuson Park, as well as residential areas to the west due to the proximity of Building 9 to Sand Point Way. The City's noise rules define permissible limits for daytime construction noise, which are elevated above typical daytime and nighttime noise limits. Given the latitude afforded by those noise rules, the regulatory limitations on work during nighttime hours, and the intended accommodation of building renovation largely within an existing structure, the potential for construction-related noise to generate significant adverse noise impacts is interpreted as minimal.

Future possible occupation of Building 9 as residential housing would increase the potential for noise to be generated by occupants and their movements, such as automobile traffic in and out of the site. While such possible future impacts can be interpreted as an adverse impact, the residential nature of the use would not be anticipated to generate conditions that would represent long-term significant adverse noise impacts.

Built Environment

Land & Shoreline Use, Height/Bulk/Scale, Historic/Cultural Preservation

By clarifying relationships of regulations and policies to Building 9, the proposed exemption to the dwelling unit maximum in the Sand Point Overlay District would make the renovation of Building 9 to include housing more likely to occur.

Future possible residential development in Building 9 would increase the degree of mixing of recreational and non-recreational uses in the Sand Point/Magnuson Park complex. Some housing is already present, so this would not be a new type of land use introduced in this vicinity. This complex is distinctive in its diverse mixture of recreational uses and a variety of other structures, uses and activities. Increasing the residential presence in the complex would increase activity levels, with related effects such as added automobile circulation in the complex, as well as an assumed increase in use of recreational features.

No significant adverse land use incompatibilities or plan/policy inconsistencies are identified. While a housing unit limit was established in past planning and agreements, this limit is understood to apply to limits on housing for formerly homeless, as cited in the "Sand Point Amendments" to the Comprehensive Plan (see Policies H1 and LU6 of these Amendments). Even if the limit had been meant to apply more broadly to a variety of housing types, the existing regulation also exempts residential uses provided by the University of Washington, which suggests a more flexible interpretation of how much residential density can be accommodated in

the district. The proposal would extend that exemption, and would allow for renovation of a large historic-contributing structure in the district that otherwise would likely fall into further disrepair and become a greater health, safety and aesthetic detriment to the area.

No significant or adverse changes to building massing or historic-contributing building features are expected, because the rules for historic-contributing structures prevent or minimize the degree to which the structure could be altered by future possible renovation. This means there is minimal potential for adverse changes in building height, bulk, scale, views or aesthetics.

Transportation, Public Services and Utilities

The amendments would not result in direct significant adverse impacts related to transportation or public services/utilities because they are a non-project action. Future possible renovation of Building 9 would be subject to later environmental review, for which more specific project-level analysis of transportation and public services/utilities would occur.

If future renovation of Building 9 occurs, the proposal would lead to increased traffic from residential uses, which would affect congestion and traffic operations to some degree on interior streets, and at Sand Point Way intersections nearby. If each household owns one vehicle, then up to 200 additional vehicles could be permanently parked in the Historic District. It is premature to estimate actual future traffic volumes from potential future development, because project details are not known and trip generation rates could vary widely depending on the rate of car ownership and rate of use. The potential transportation impacts of such actions are not anticipated to be significantly adverse on the street network, but conceivably could generate a need for localized adjustments such as traffic signal timing, additional signage, and clarifications of parking assignments in or near the Historic District.

If future renovation of Building 9 occurs, the new residential use would require public services and utilities that are not currently demanded at this building. This would increase overall demand for public services such as police and fire protection, and schools, interpreted as representing potential minor adverse impacts. It would also increase local demands on public utilities. While local utilities are believed to be sufficient to provide service to Building 9 renovation, future project-specific environmental and permitting reviews would help define whether any localized system improvements are needed.

Increased demand for recreational facilities in the Sand Point/Magnuson Park complex, and increased activity levels in the complex would also occur as a result of the proposal if future renovation of Building 9 occurs. This is interpreted as a potential minor adverse impact on parks/recreation, in that the park's use by residents in the complex would increase and the park could see slight increases in wear and tear. However, no specific recreation improvements are identified as needed to directly offset this added demand (Department of Parks and Recreation, 2012).

DECISION

This decision was made after review by the responsible official on behalf of the lead agency of a completed environmental checklist, draft ordinance, 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 43.21.C), including the requirement to inform the public of agency decisions pursuant to SEPA.

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(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).

Signature: _____ Date: _____
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Department of Planning and Development