City of Seattle

Gregory J. Nickels, Mayor
Department of Planning & Development
D. M. Sugimura, Director

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

Application Number: 2402207

Applicant Name: Anthony Gianopuolos of MBT Architecture, for City Investors XII LLC

Address of Proposal: 800 Republican Street

Summary of Proposed Action

Master Use Permit to establish use for future construction of two five-story buildings, one as an addition to the existing laboratory and office building at 801 Mercer Street. The project consists of construction of two five-story buildings for laboratory, office, and restaurant/café space plus construction of four below-grade levels for parking and laboratory space. The proposal anticipates approximately 227,082 square feet of additional above grade space containing biomedical research, administrative office, and restaurant/café space on the 105,342 square-foot site.

The following approvals are required:

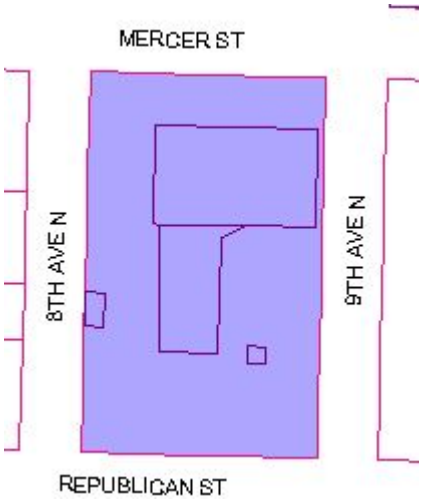
Design Review – Chapter 23.41 Seattle Municipal Code (SMC)
SEPA – to approve, condition, or deny pursuant to 25.05.660 – Chapter 25.05 SMC.

SEPA Determination: [ ] Exempt [ ] DNS [ ] MDNS [X] EIS

[ ] DNS with conditions

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

BACKGROUND INFORMATION:



The site is located at 800 Republican Street, occupying the entire block bounded on the north by Mercer Street, on the south by Republican Street, on the west by 8th Avenue and on the east by 9th Avenue. A portion of the northeast quadrant of the block is occupied by a commercial building which is to remain (the "Blue Flame" or "815 Mercer Building," constructed in 1963). That building sits well away from Mercer Street and hunkers down behind a substantial grassy berm with well-established deciduous trees which largely encases and conceals the structure's lowest floor. The conceptual design indicates one of the two new buildings proposed for the site connected to the west façade of the 815 Mercer Building. The site slopes, at street perimeter, slightly from south to north (4 to 6 feet) and more substantially from west to east (10 to 12 feet). The property was zoned Commercial 2 with a 65-foot height limit at the time the application was submitted (C2-65). Subsequently, the subject site and surrounding properties were rezoned to Seattle Mixed, with properties to the south at an 85-foot height limit (SM-85) and properties to the east, west, and north at the 65-foot height limit (SM-65).[1]

AREA DEVELOPMENT

The general vicinity consists largely of low industrial and commercial buildings, mostly of some age. There is an abundance of surface parking lots, several on sites once occupied by these types of older commercial structures. Many of these commercial buildings are of one and two stories, although some within the vicinity extend up to five stories in height. There is a smattering of older wood homes still in the area, dating from the first quarter of the last century. The vicinity is also characterized by a "second generation" of commercial buildings, of which the 1963 Blue Flame building on site is somewhat representative, built with concrete steel and glass and generally exhibiting a late twentieth century utilitarian character. A third generation of buildings, containing office, retail, residential and research and development uses, have been constructed in the vicinity quite recently and, like this proposal, are indicative of the redevelopment of the South Lake Union area.

ARCHITECT'S PRESENTATION

[1] The development site at issue in this decision has been segregated into two legal lots pursuant to Lot Boundary Adjustment #3003169. The "Blue Flame" building is located on one of the realigned lots and the two new buildings discussed here are on the other. The LBA requires a parking covenant and other appropriate measures to ensure the realigned lots can function under separate ownership if necessary. Although this decision does not concern the "Blue Flame" building directly (and where there is an effect, such as on parking, appropriate arrangements have been made through the LBA process), this decision will still govern the entire development site (both lots) as indicated in the MUP application.

Robert Bruckner of MBT Architecture made the substantive presentation at this meeting, with a few opening remarks coming from Sharon Coleman representing Vulcan, the developer of the property. The project was identified as University of Washington School of Medicine/ Lake Union Phase 2, and consists of two new bio-tech and office structures totaling 241,000 square feet above grade with 4 levels of underground parking. Access to the underground parking would be from both Republican Street and 9th Avenue. Service vehicles would enter and exit only from the 9th Avenue parking access. One of the proposed structures, primarily a research/laboratory building, would connect to the west façade of the existing 815 Mercer Street building. The second structure, dedicated to research/administration, was described as a free-standing five-story "pavilion," pulled to the southeast corner of the site.

In making his presentation, the architect referred to the ***Design Review: Guidelines for Multifamily & Commercial Buildings*** and identified those Guidelines their analysis had singled out as important in the conceptual design phase of the project. These included:

- A-1 Response to Site Characteristics –specifically for exploiting public views, providing a community "gateway" and "heart location
- A-4 Human Activity—specifically to provide a campus open to the community and re-enforce neighborhood pedestrian connections
- C-1 Architectural Context—specifically re-use of the Blue Flame building on site and provide other response and acknowledgements of neighborhood history and character in the design of campus and additional buildings
- C-2 Architectural Concept and Consistency—specifically in designing a well proportioned and unified building form and establishing views and places at upper levels
- D-1 Pedestrian Open Spaces and Entrances –specifically by providing clear and convenient access to building entries and minimizing intrusion of vehicle access
- E-1 Reinforce existing landscape character of the neighborhood—specifically through retention of mature trees along Mercer Street, providing variety within open space for pathways and gathering points, and establishing a coherent concept along 8th Avenue between the site and Denny Park

In addition, the architect pointed to design constraints on the project which had led the design development to its preferred configuration. These included:

- functional needs to guarantee connectivity between various lab, service and office areas
- need to connect existing Blue Flame building to new on site development
- a fifteen foot downhill grade change between the southwest and the northeast corners of the site
- the anticipated coordination with expansion and development of the campus in a subsequent later phase of development within the block to the west, across 8th Avenue from the current site

PUBLIC COMMENTS

After the Board had asked some clarifying questions of the architect regarding the project, public comment was solicited from those attending the meeting. There were 10 individuals who had entered their names on the sign-in sheet. One of those identified herself as a neighboring property owner and offered comments on the proposal. She commented on the existing traffic patterns along 9th Avenue and asked questions about how the proposed access to vehicle parking

on the site might affect existing street parking along Republican Street. She also expressed concern how the height and massing of the so-called "pavilion building," set to the corner property lines at the southeast corner of 9th and Republican would impact properties across Republican Street to the south.

BOARD DELIBERATIONS

General Directives

The five members of the Board present agreed that a second Early Design Guidance meeting should be required for the Board more fully to develop their guidance for the project. The Board complimented the applicant on the depth and thoroughness of their analysis of the area and on the quality of materials developed to provide a clear and compelling presentation.

But in addition to those Guidelines identified by the applicant, there were other guidelines that the Board believed need to be cited as being of high priority fort the project. A second Early Design Guidance meeting of the Board on this project was believed to be of benefit to flesh out emphases within the Guidelines. In particular, it was suggested that a fuller discussion of the priority design issues specific to the **South Lake Union Design Guidelines** would be of benefit to the success of the project. For instance, the applicant had singled out Guideline A-1 to be of significant priority in the development of the project at this conceptual phase and had mentioned "outlooks and overlooks for the public to view the lake and cityscapes." This was a reference to the South Lake Union Design Guidelines which states under A-1 as *SLU-specific supplemental guidance:* "Where possible, provide 'outlooks and overlooks' for the public to view the lake and cityscapes. Whereas the A-1 guideline in Design Review: Guidelines for Multifamily & Commercial Buildings would appear to place an emphasis on the siting and massing of buildings *so as not to prevent public views* otherwise accessible without the buildings, A-1 as SLU-specific supplemental guidance places emphasis on *providing views for the public on site and within buildings.* Although cited as a high priority guideline by the applicant, it was not clear to the Board how *public* access to these views was to be provided, given other programmatic considerations, particularly security, that were discussed. A second Early Design Guidance meeting was deemed beneficial in clarifying and qualifying these seeming tensions within the stated Guidelines at greater length.

After visiting the site, considering the analysis of the site and context provided by the proponents, and hearing public comment, the Design Review Board members provided the siting and design guidance described below and identified by letter and number those siting and design guidelines found in the City of Seattle's ***Design Review: Guidelines for Multifamily & Commercial Buildings*** and ***South Lake Union Design Guidelines*** of highest priority to this project.

DESIGN GUIDELINES

A Site Planning

A-1 Responding to Site Characteristics
The siting of buildings should respond to specific site conditions and opportunities.

A-3 Entrances Visible from the Street
Entries should be clearly identifiable and visible from the street.

A-4 Human Activity
New development should be sited and deigned to encourage human activity on the street

A-5 Respect for Adjacent sites
Buildings should respect adjacent properties by being located on their site to minimize disruption of the privacy and outdoor activities of residents in adjacent buildings

A-8 Parking and Vehicle Access
Siting should minimize the impact of automobile parking and driveways on the pedestrian environment, adjacent properties and pedestrian safety.

A-10 Corner Lots
Buildings on corner lots should be oriented to the corner and public street fronts.

The guidelines above were all chosen by the board to be of high priority. The Board would like to see more explanation of how the three buildings, two new and one existing, interact with the rest of the site to provide, in the applicant's words "a new community 'gateway'." The applicant should clarify how the design will enliven the streets, as called for under A-4, and not just the internal courtyard, especially how it might enliven the street apart from regular office hours, and convey a convincing and detailed sense of how the proposed "open-space," the inner court and campus at ground level will work to promote human activity and engage with the neighborhood.

Further, if the building is to achieve the "gateway" designation called out for it, the applicant should demonstrate in more detail how the site and the proposed structures specifically embody and announce the iconic responsibilities of the "gateway" designation.

B Height, Bulk and Scale

B-1 Height, Bulk and Scale Compatibility
Projects should be compatible with the scale of development anticipated by the applicable Land Use Policies for the surrounding area and should be sited and designed to provide a sensitive transition to nearby, less-intensive zones. Projects on zone edges should be developed in a manner that creates a step in perceived height, bulk and scale between the anticipated development potential of the adjacent zones.

One of the Board members pointed out that this guideline was conspicuously absent from the guidelines selected by the applicant, rather than by the Board, of being of high priority for the project. While the ***Design Review: Guidelines for Multifamily & Commercial Buildings*** treats this guideline as particularly applicable at zone transition lines, the ***South Lake Union Design Guidelines,*** as part of the SLU-specific supplemental guidance, applies the height, bulk and scale standard in general to where buildings meet the street: "Step back elevation at upper levels of large-scale development to take advantage of views and increase sunlight at street level.

Concern was raised regarding the height, bulk and scale of the "bar" building along 8th Avenue, especially as it was indicated that it may be twinned with a similar building in a future phase on the west side of 8th Avenue. There was concern expressed by some Board members regarding a potential "canyon" effect along 8th Avenue. The SLU-specific supplemental guidance, "step back elevation at upper levels" would appear to be appropriate in cases of large projects such as this, if determined by the Board to be of high priority. The Board members expressed no consensus in this regard at the meeting, requesting instead additional input from DPD about the

relationship of the SLU-specific guidance language to the City-wide guidelines, and suggested that the issue be more fully discussed and consensus sought at the next meeting of the Board.

DPD Staff Direction: *The Department has reviewed this supplementary guideline and the height, bulk and scale context and has determined that it is clearly within the Board's purview to identify any of these SLU-specific guidelines as a high priority as part of their determination of guideline priorities for this and other larger developments. DPD feels that it would be prudent for the applicant to study the SLU-specific Height, Bulk & Scale guideline carefully and consider its applicability to this "large project." The applicant should be prepared at the next meeting to show various ways of addressing this guideline. Scaled sections showing the street and proposed adjacent development and perspective drawings (even if quick sketches) to illustrate the impacts on the street and shadow studies should be presented at the next meeting. In addition, the Board should clarify at the second Early Design Guidance meeting whether they wish to make this guideline one of high priority for the proposal.*

C Architectural Elements and Materials

C-1 Architectural Context
New buildings proposed for existing neighborhoods with a well-defined and desirable character should be compatible with or complements the architectural character and siting pattern of neighboring buildings.

C-2 Architectural Concept and Consistency
Building design elements, details and massing should create a well-proportioned and unified building form and exhibit an overall architectural concept.
Buildings should exhibit form and features identifying the functions within the building.
In general, the roofline or top of the structure should be clearly distinguished from its façade walls.

The re-use of the Blue Flame building as part of the whole development clearly sits well with the South Lake Union-specific guidelines and the Board gave no specific guidance other than to encourage the applicant to proceed along the direction they were headed in term of engaging the architectural context with clear architectural concept and consistency.

D Pedestrian Environment

D-1 Pedestrian Open Spaces and Entrances
Provide convenient, attractive and protected pedestrian entries.

D-7 Pedestrian Safety
Project design should consider opportunities for enhancing personal safety and security in the environment under review.

The Board did not provide additional guidance to that presented in the guideline except to add D-7 to the guidelines of high priority already identified by the applicant. The applicant should be prepared to discuss at fuller detail and at a finer scale next meeting how the inner courtyard would work and how this inner campus could relate to the street perimeter of the site and the pedestrian activity that will transpire within the public realm.

E Landscaping

E-1 Reinforce existing landscape character of neighborhood

Where possible, and where there is not another overriding concern, landscaping should reinforce the character of neighboring properties and abutting streetscape.

E-2 Landscaping to enhance the building and/or site
Landscaping, including living plant material, special pavements, trellises, screen walls, planters, site furniture and similar features should be appropriately incorporated into the design to enhance the project.

Landscaping should be designed with the goal of realizing the prioritized guidelines, should soften the edge conditions where appropriate, and should contribute to an attractive, inviting, and usable inner courtyard between the buildings as indicated in the initial presentation. The applicant should show in more detail how the building-set-back-behind-the-grassy-knoll, suggestive of a mid twentieth century suburban form, will be integrated with the interior *campus* and achieve a more strictly urban form perimetrically as perceived from the abutting streets.

Departure from Development Standards:

The applicant indicated that no departures from Land Use Code development standards were being requested nor contemplated.

Recommendation Meeting, October 6, 2004

Architect's Presentation

At each of the prior Early Design Guidance meetings of the Board, the applicants' proposal for the development of the site had been portrayed as consisting of two new bio-tech and office structures totaling 227,082 square feet above grade with 4 levels of underground parking. The first of the proposed structures, primarily a research/laboratory building, would connect to the west façade of the existing 815 Mercer Street building, but in keeping with the design development shown at the July 7th Board meeting, the proposed structure had been pulled apart into two masses, connected by an upper-level pedestrian bridge. The second proposed structure, dedicated to research/administration, was again described as a free-standing five-story "pavilion," pulled to the southeast corner of the site. Access to the underground parking would be from both Republican Street and 9th Avenue N. Service vehicles would enter and exit only from the 9th Avenue parking access.

The proposed design still incorporated a mid-block east-west pedestrian, landscaped connection or public passage-way linking 8th and 9th Avenues N. This open space was portrayed as continuous with open-space opening to the south between the proposed new structures.

In response to preferences indicated by the Board at the second Early Design Guidance meeting, the proposed structure located to the southeast corner of the site and pivoting off the corner of 9th Avenue and Republican Street was canted slightly to the northwest to reference the east façade of the Blue Flame building, and the outside of the 8th Avenue N. building was pulled toward the corner of 8th Avenue N. and Republican Street and its layers were progressively stepped back "inside" to create a quasi-hemispherical, south-facing open space at mid block.

Board's Deliberations

After the Board had asked some clarifying questions of the architect regarding the project and public comment had been solicited from those attending the meeting, the five members of the Board commended the applicant on the quality of the presentation and expressed their general satisfaction with and enthusiasm for the buildings they had been shown. At the last meeting of the Board, members had expressed concern over two areas in which the previous presentation was thought deficient, with resulting unresolved questions and uncertainties and which prevented the Board from being able to recommend approval of the project:

> The first area of concern was the insufficient amount of precise detail regarding materials and colors to flesh out the proposed buildings. Although the Board commended the architect for doing an excellent job of compensating on the spot for a lack of color board or material samples, by explaining in some detail the considerations that had been made for choices in materials and colors, they considered it important to have some sample materials and colors presented at another meeting for further review and comment.
>
> The second was the landscape plan, viewed as lacking sufficient precise detail to be convincing or persuasive. It was generally agreed by members of the Board that the landscape plan was too schematic, too tentative, and too provisional. While it was generally agreed that the design of the buildings themselves was successful, there was some general misgiving expressed by the Board regarding the lack of details about how the buildings met the earth. In order to be able to react to and comment on the success of the design for the joining of buildings and earth, the Board expressed a need to see more specific details of the proposed landscape plan.

The Board had expressed a desire to allay these misgivings by asking the applicants to return for a final recommendation meeting at which time materials boards and a more developed landscape plan would be presented as a backdrop for discussion.

Final Recommendation Meeting, November 3, 2004

As directed at the conclusion of the October 6, 2004 meeting, the applicants returned for a public meeting of the Design Review Board at 6:30 PM on the evening of November 3, 2004, which was also conducted at the Queen Anne Community Center.

In accordance with the Board's desires, the architect for the proposed buildings focused on a presentation of materials, colors, and some architectural detailing, of window treatments for example, of the proposed structures. The project's landscape architect gave a detailed presentation of the landscape plan as it had evolved up to that moment and included a list of the plantings proposed to be included within the plan.

Design Departures

No departures from development standards were requested.

Board's Deliberations

After the Board had asked some clarifying questions of the presenters regarding the project and after public comment had been solicited, the members of the Board commended the applicants on the quality of the presentation. While expressing some minor dissatisfaction that some elements of the proposal, especially within the landscape plan, still remained overly conceptual, the Board acknowledged their appreciation for certain constraints affecting the project and thanked the applicants for the overall quality of the presentation and their receptiveness to the guidance of the Board throughout the Design Review Process. The Board **recommended approval** of the design as presented.

Staff Comments

In recommending their approval, the Board indicated they did not wish to recommend any conditions of that approval. Nonetheless, the Board desired to make a statement that, given the conceptual nature of parts of the presentation, rather than a design of resolution and specific detail for portions of the proposal, it was their clear expectation that the plans submitted for actual construction of the project on site would be otherwise consistent with the high quality of materials and detailing indicated in the presentation made to them. It was the Board's expectation that the site would be developed with two buildings as proposed in the drawings as presented to the Board and that the landscaping, both peripheral and within the heart of the site would be of the quality and quantity as shown to the Board at the meeting. Finally, the Board wished to convey to the applicant that it was their continued earnest desire and expression of their best judgment in offering their guidance for the proposal that the sidewalk-level space abutting 9th Avenue N. should find a vital, active and even interactive – cafeteria, retail, for example, use – to enliven the pedestrian realm along that street frontage.

DECISION – DESIGN REVIEW

After considering the proposed design and design solutions presented in relation to previously stated design guidelines, the four Design Review Board members present and not recusant unanimously recommended approval of the subject design.

The Director of DPD has reviewed the recommendations of the four Design Board members present at the final Design Review recommendation meeting and finds that they are consistent with the ***City of Seattle Design Review Guidelines for Multifamily & Commercial Buildings*** and ***South Lake Union Design Guidelines.***

Therefore, the proposed design is **approved** as presented at the November 3, 2004 Design Review Board meeting.

ANALYSIS – SEPA

This analysis relies on the ***South Lake Union Research and Administrative Office Space: Phase 2 and 3 Development Final Environmental Impact Statement (FEIS)*** issued on September 15, 2005 by the City of Seattle Department of Planning and Development. This

environmental document puts forth the probable and significant adverse impacts likely to be created by the proposal. This decision also makes reference to and incorporates the project plans and other supporting documentation submitted with the project.

The Seattle SEPA ordinance provides substantive authority to require mitigation of adverse impacts resulting from a project (SMC 25.05.655 and 25.05.660). Mitigation, when required, must be related to specific adverse environmental impacts identified in an environmental document and may be imposed only to the extent that an impact is attributable to the proposal. Additionally, mitigation may be required only when based on policies, plans, and regulations as enunciated in SMC 25.05.665 to SMC 25.05.675, inclusive, (SEPA Overview Policy, SEPA Cumulative Impacts Policy, and SEPA Specific Environmental Policies). In some instances, local, state, or federal requirements will provide sufficient mitigation of a significant impact and the decision maker is required to consider the applicable requirement(s) and their effect on the impacts of the proposal.

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 specific circumstances (SMC 25.05.665 D 1-7) mitigation can be required.

An environmental impact statement (EIS) is used by agency decision makers to analyze environmental impacts, along with other relevant considerations or documents, in making final decisions on a proposal. The SEPA ordinance contemplates that the general welfare, social, and other requirements and essential considerations of state policy will be taken into account in weighing and balancing project alternatives and in making final decisions. The EIS and supplemental documents provide a basis upon which the responsible agency and officials can make the balancing judgment mandated by SEPA, because it provides information on the environmental costs and impacts.

No Action Alternative

The No Action Alternative in the EIS provides a baseline for comparing the impacts of construction of the proposed development and parking with conditions that are expected to exist at the time the project is completed. Under the No Action Alternative, the proposed administrative and research buildings would not be built. The existing uses of the site, surface parking and a four-story research and administrative structure, would presumably continue.

The project is expected to have both short and long term impacts.

Short-Term Impacts

Construction-Related Impacts

Traffic

Construction of the project would generate truck and other vehicle traffic associated with excavation, earthwork, and delivery of materials. Approximately 160,000 cubic yards of material will be removed to Maltby Pit or another approved site. This material removal will generate roughly 16,000 truck trips over a six to twelve week time frame, equating to between 190 and 540 trips per day. Although less than the number of trips expected to be generated by the completed project, these trips could have a negative effect upon transportation levels of service on the surrounding street and highway system unless carefully scheduled. Staging of trucks in the immediate vicinity of the site during excavation and concrete pouring has the potential for localized traffic disruptions. It is expected that existing regulatory authority in place with the Seattle Department of Transportation (SDOT) would allow for control through permitting review of use of surrounding streets to mitigate these potential impacts.

Cultural Resources

No archaeologically significant cultural resources are known to be present at the project site. However, the buildings and impervious surfaces hampered access during the cultural resources assessment and the project is in an archaeologically significant landscape. There is slightly higher potential for cultural resources to be located in the southeast quadrant of the development site during excavation as much of that area was undisturbed prior to being buried under fill during earlier construction. Construction could increase visibility and potential for exposure of previously unknown cultural resources during clearing and grading. Construction activities during implementation of the proposed project are not expected to impact known archaeologically significant resources.

A Construction Monitoring and Discovery Plan will be required prior to the subgrade excavation of the southeast quadrant of the project site. In addition, appropriate measures in Director's Rule 2-98 will need to be implemented as indicated in the EIS.

Demolition and Excavation

Excavation of 160,000 cubic yards of material on site will create potential earth-related impacts. Compliance with the Stormwater, Grading, and Drainage Control Code (SMC 22.800) will require the proponent to identify a legal disposal site for excavation and demolition debris prior to commencement of demolition/construction. Cleanup actions and disposal of contaminated soils on site will be performed in compliance with the Model Toxics Control Act (MTCA; WAC 173-340). Compliance with the Uniform Building Code (or International Building Code) and the Stormwater Grading and Drainage Control Code will also require that Best Management Practices (BMPs) be employed during demolition/excavation/construction including that the soils be contained on-site and that the excavation slopes be suitably shored and retained in order to mitigate potential water runoff and erosion impacts during excavation and general site work.

Groundwater, if encountered, will be removed from the excavation by sump pumping or by dewatering system and routed to existing storm drain systems. A drainage control plan, including a temporary, erosion and sedimentation control plan and a detention with controlled

release system will be required with the building permit application. In addition, a Shoring and Excavation Permit will be required by SDOT prior to issuance of a building permit. Compliance with the requirements described above will provide sufficient mitigation for the anticipated earth-related impacts.

Noise-Related Impacts

Uses in the vicinity of the proposal will experience increased noise impacts during the different phases of construction (demolition, shoring, excavation). Compliance with the Noise Ordinance (SMC 25.08) is required and will limit the use of loud equipment registering 60 dBA (not including construction equipment exceptions in SMC 25.08.425) or more at the receiving property line or 50 feet to the hours between 7:00 a.m. and 10:00 p.m. on weekdays, and between 9:00 a.m. and 10:00 p.m. on weekends and holidays. Because the uses in the vicinity of the proposal are predominantly non-residential, compliance with the requirements described above will provide sufficient mitigation for the anticipated noise impacts and further conditions beyond the requirements of the Noise Ordinance are not necessary.

Air Quality

Construction will create dust, leading to an increase in the level of suspended air particulates, which could be carried by wind out of the construction area. Compliance with the Street Use Ordinance (SMC 15.22.060) will require the contractors to water the site or use other dust palliative, as necessary, to reduce airborne dust. Puget Sound Clean Air Agency urges that all diesel construction equipment used in this expansion in downtown Seattle make use of available ultra-low sulfur diesel fuel (less than 15% sulfur) as well as diesel retrofit or original equipment of oxidation catalysts or particle filters. In addition, compliance with the Puget Sound Clean Air Agency regulations will require activities, which produce airborne materials or other pollutant elements to be contained within temporary enclosures. Other potential sources of dust would be soil blowing from uncovered dump trucks and soil carried out of the construction area by vehicle frames and tires; this soil could be deposited on adjacent streets and become airborne.

The Street Use Ordinance also requires the use of tarps to cover the excavation material while in transit, and the clean up of adjacent roadways and sidewalks periodically. Construction traffic and equipment are likely to produce carbon monoxide and other exhaust fumes. Regarding asbestos, Federal Law requires the filing of a Notice of Construction with the Puget Sound Clean Air Agency ("PSCAA") prior to demolition. Thus, as a condition of approval prior to demolition, the proponent will be required to submit a copy of the required notice to PSCAA. If asbestos is present on the site, PSCAA, the Department of Labor and Industry, and EPA regulations will provide for the safe removal and disposal of asbestos.

Long-Term Impacts – Use-Related Impacts

Land Use

The proposed project is consistent with the *City of Seattle Comprehensive Plan*, the *South Lake Union Neighborhood Plan*, and the Land Use Code.

Traffic and Transportation

The DEIS includes a traffic and transportation report prepared by The Transpo Group with oversight from DPD. DEIS pp. 89 – 116 and Appendix D (Transportation Technical Appendix). This report evaluates existing traffic conditions in the study area, estimates the amount of new traffic to be generated by the project, and evaluates the impact of these new trips on the level-of-service of intersections in the study area.

In project year 2007, the project will generate approximately 2,625 new daily vehicle trips to the surrounding street system, 390 during the AM peak hour and 355 during the PM peak hour. The project will increase traffic volumes on nearby streets, with higher percentage increases typically occurring at unsignalized intersections with currently low traffic volumes. At many locations, the impact is well below five percent, falling in the range of unnoticeable daily traffic fluctuation.

At the most significantly congested intersections in the area with Level of Service (LOS) F, the project will account for only 1.5 percent or less of peak hour traffic at Mercer Street/Fairview Avenue and less than 1 percent of AM peak traffic at Republican Street/Fairview Avenue. Both of these intersections would continue to operate at LOS E or F regardless of the project.

Transportation Concurrency

The City of Seattle has implemented a Transportation Concurrency system to comply with one of the requirements of the Washington State Growth Management Act (GMA). The system, described in DPD's Director's Rule 4-99 and the City's Land Use Code is designed to provide a mechanism that determines whether adequate transportation facilities would be available "concurrent" with proposed development projects. The four evaluated screen-lines included in the Transpo analysis would all continue to operate below the concurrency threshold with or without construction of the project.

Transportation Mitigation

In July 2004, the Seattle Department of Transportation completed the South Lake Union Transportation Study with the help of consultants Parsons Brinckerhoff and EnviroIssues. The study recommended a package of transportation improvements for the South Lake Union area which has broad support from a diverse group of neighborhood, business and community representatives. The improvements include a two-way Mercer Street, a narrower Valley Street, a streetcar, and a number of transit, pedestrian and bicycle measures. These improvements are intended to reconnect the South Lake Union area to the city, untangle streets that create barriers in the middle of the city, improve mobility, promote alternatives to single-occupant-vehicles, and continue a smooth flow of freight and people through the area.

As an alternative to mitigation measures that focus solely on minor improvements to nearby streets and intersections, DPD has determined that a more effective mitigation approach is for the applicant to contribute to the costs of the more comprehensive transportation improvements recommended in the South Lake Union Transportation Study, combined with implementation of a Transportation Management Program for the project. DPD has reviewed the projected transportation impacts of the project, as summarized in the DEIS, and concluded that the

transportation improvements in the South Lake Union Transportation Study would adequately mitigate those impacts.

DPD has considered the share of the transportation improvement costs that should be borne by this project. A portion of the improvement costs is attributable to existing deficiencies and must be funded with resources other than private developer mitigation payments. This project should bear its fair share of the remaining costs, based on the expected trip generation which takes into consideration the expected reduction in single-occupant-vehicle trips resulting from implementation of the Transportation Management Plan. Based on the final cost share figures developed by Transpo, dated October 27, 2005, and approved by DPD, as allocation to this project, a payment of $265,571 is deemed appropriate. (This is equivalent to $1.17/square foot.) These funds will be allocated to specific transportation capital projects identified in the South Lake Union Transportation Study, as specified in the October 27, 2005, Transpo analysis.

In addition, to reduce single occupant vehicle trips to and from the project, the City will require that a Transportation Management Plan (TMP) with a Single Occupancy Vehicle goal of 50 percent be developed for the project, pursuant to SMC 25.05.675 and 25.05.670, as stated in the conditions below.

Parking

The proposed development will remove 135 surface parking spaces and replace them with 499 parking stalls on four below-ground levels. 100 of these parking spaces will be reserved for use by "Blue Flame" Building occupants through a parking covenant. Based on the Seattle Parking Code, the proposed development is required to provide 318 parking spaces for the new development and 83 spaces for the existing "Blue Flame" Building, thus the planned parking is well in excess of code requirements.

According to the April 2005 Transpo Analysis, combined peak parking demand for the "Blue Flame" Building and the proposed development is 793 spaces. A Transportation Management Plan (TMP) will be required as part of the conditions for the project, but even if aggressive TMP goals are met, demand will exceed parking supply by approximately 116 spaces. This excess parking demand could be accommodated in off-street parking lots adjacent to the project site. Approximately 216 parking spaces, both on and off-street, are available within an 800-foot walking distance of the project.

DECISION – STATE ENVIRONMENTAL POLICY ACT (SEPA)

This decision was made after review of the ***South Lake Union Research and Administrative Office Space: Phase 2 and 3 Development FEIS*** as well as other information on file with the department. This action constitutes the lead agency's final decision and has been signed by the responsible official on behalf of the lead agency. Pursuant to state and local environmental regulations, alternatives to the proposed action meeting the Applicant's objectives were considered. All information relied on by the Department and responsible official concerning the proposal and the alternatives is and has been available to the public.

The Department of Planning and Development finds that the proposed development, including mitigation measures proposed by the Applicant or imposed as conditions of the Master Use

Permit would be reasonably compatible with existing land uses and the City's land use and environmental policies, and should be conditionally approved.

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

CONDITIONS – SEPA

Prior to issuance of any Construction, Shoring or Grading Permits

1. A Construction Monitoring and Discovery Plan will be required prior to the subgrade excavation of the southeast quadrant of the project site.

2. The applicant shall submit for review and approval a Construction Impact Management Plan to the Department of Planning and Development (DPD) for concurrent review and approval with Seattle Department of Transportation (SDOT). The plan shall identify management of construction activities including construction hours, parking, traffic and issues concerning street and sidewalk closures.

3. Submit a copy of the PSCAA notice of construction.

4. The applicant shall submit for review and approval to the Department of Planning and Development and Seattle Department of Transportation a Transportation Management Plan with a Single Occupancy Vehicle (SOV) goal of 50 percent and consistent with SMC 25.05.675 and 25.05.670, which TMP, when approved, shall be recorded with the King County Recorder's Office.

Prior to issuance of a Certificate of Occupancy

5. Applicant shall pay SDOT a transportation mitigation fee of $265,571, which is the final cost share figure developed by Transpo and dated October 27, 2005.

NON-APPEALABLE CONDITIONS – DESIGN REVIEW

Prior to issuance of a Certificate of Occupancy

6. Construct buildings with siting, materials, and architectural details substantially the same as those presented at the November 3, 2004 Design Review Board meeting.

Signature: (signature on file) Date: November 14, 2005
Michael Dorcy, Senior Land Use Planner
Department of Planning and Development

MMD: ga
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