

INTRODUCTION

On September 4, 2007, the Mayor submitted a proposal to the City Council that would have raised SEPA thresholds to better align City SEPA (State Environmental Policy Act) requirements with the City's Comprehensive Plan growth policies, as contemplated by the State Growth Management Act. The proposal acknowledged the great strides the City has made since the inception of SEPA to address the impacts of development on the city's neighborhoods. New ordinances that changed the City's land use code, and established programs to review the design of new structures, control grading of land, and manage stormwater were not contemplated when SEPA thresholds were first established.

On April 21, 2008, the City Council adopted Ordinance 122670 that accomplished part of what was contained in the original proposal. The Council adopted new environmental review thresholds for Urban Centers and in light rail station areas. Further changes as proposed in the original bill were to be reconsidered once the Mayor's proposed Multifamily Code Update is considered by the Council. This proposed legislation would raise the thresholds in areas left out of the original proposal, including urban villages and the areas outside of the villages, centers and SAOD areas (*see tables in Proposed Threshold Changes section later in this report*).

BACKGROUND

Generally, SEPA thresholds are based on the number of residential dwelling units or the amount of non-residential floor area proposed within a structure. Development thresholds for environmental review are proposed to be increased the greatest within Urban Villages (*see tables in Proposed Threshold Changes section later in this report*). While residential thresholds vary among zones and other locational factors, non-residential thresholds in most zones would be raised to 12,000 square feet.

The proposal is intended to strike a balance between allowing development that can reasonably be expected to contribute to the City's growth management goals under zoning and development control ordinances in place, and where new development may result in localized impacts that were not contemplated by current ordinances and may result in adverse environmental impacts on surrounding properties.

- The proposal supports affordable housing and small businesses' ability to remain viable while adapting to changing market conditions.
- The City's Land Use Code more effectively anticipates and addresses the impacts of new development.
- Other ordinances and programs provide effective environmental protections that were previously only addressed through SEPA, including the proposed new Multifamily Chapter

For more information, see the Director's Report that accompanied Ordinance 122670, available on the DPD website: http://www.seattle.gov/dpd/Planning/SEPA_Environmental_Review/Overview/

PROPOSED THRESHOLD CHANGES

Proposed changes to SEPA thresholds vary according to zones and their location inside or outside of Urban Centers and Urban Villages (*see centers and villages on the attached map*). This approach is

consistent with the City’s growth management strategy that directs new growth to Urban Centers and Urban Villages. The tables show the existing thresholds for urban centers and within the boundaries of the SAOD, as adopted by the City Council in April, 2008 and zones where changes are now proposed.

Existing and Proposed Residential SEPA Thresholds Where Proposed for Changes (Dwelling Units)

| Zone | Existing Thresholds | | Proposed Thresholds | |
|--|--------------------------|------------------------------|------------------------------------|-----------------------|
| | Outside of Urban Centers | Within Urban Centers or SAOD | Outside of Urban Villages, Centers | Within Urban Villages |
| LDT | 4 | 6 | 6 | 6 |
| Lowrise 1 | 4 | 30 | 10 | 20 |
| Lowrise 2 | 6 | 30 | 10 | 20 |
| Lowrise 3, Lowrise 4 | 8 | 30 | 10 | 20 |
| Neighborhood Commercial 1, 2, 3 and Commercial 1 and 2 | 4 | 30 | 10 | 20 |
| Midrise, Highrise, Seattle Mixed | 20 | 30 | 20 | 30 |

Notes: RSL = Residential Small Lot. LDT = Lowrise Duplex Triplex. “Lowrise” refers to multifamily zones. *Thresholds for all zones in designated light rail station area overlay districts (“SAOD”) would be the same as for Urban Centers.

Existing and Proposed Non-Residential Thresholds Where Proposed for Changes (Square Feet)

| Zone | Existing Thresholds | | Proposed Thresholds | |
|-------------------------------|--------------------------|-------------------------------|-------------------------------------|-----------------------|
| | Outside of Urban Centers | Within Urban Centers or SAOD* | Outside of Urban Villages & Centers | Within Urban Villages |
| Neighborhood Commercial 1 | 4,000 | 12,000 | 8,000 | 12,000 |
| Neighborhood Commercial 2 & 3 | 4,000 | 12,000 | 12,000 | 12,000 |
| Midrise, Highrise | 4,000 | 12,000 | 12,000 | 12,000 |

*SAOD = Station Area Overlay Districts

Residential Thresholds

The proposal raises SEPA thresholds for residential development in multifamily zones, Commercial (C), Neighborhood Commercial (NC) and the Seattle Mixed zones as shown in the tables above and as described as follows:

Urban Villages: The proposed residential threshold is 20 dwelling units for most zones within Urban Villages (except Single Family zones, which are not proposed to be changed).

Areas Outside of Urban Centers and Villages: The proposed residential thresholds for the Lowrise, Commercial and NC zones outside of Urban Centers and Villages would be set at 10 dwelling units. This would increase thresholds modestly above the current 4, 6 and 8-unit levels in areas where multifamily development will occur over time.

Non-Residential Thresholds

Urban Villages: Non-residential thresholds are proposed to be raised from 4,000 square feet to 12,000 square feet for NC zones, Midrise and Highrise zones (for other zones, including Single Family and Lowrise zones, which may have incidental or nonconforming commercial development, existing SEPA thresholds would be retained).

Areas Outside of Urban Centers and Villages: The thresholds for non-residential uses outside of Urban Centers and Villages are proposed to be set at 8,000 square feet in NC1 zones and 12,000 square feet in NC2, NC3, Midrise and Highrise zones. These changes would exempt relatively small commercial uses, and some expansions or conversions from one business to another (e.g., changes in land use), from SEPA review.

Reduction in SEPA Review Volume

| | Average Number of SEPA reviews per year, 1995-2004 | Number of SEPA reviews no longer necessary using Proposed Thresholds |
|-------------------------------|---|---|
| Residential/mixed-use: | 82 per year | Approximately 22 per year |
| Commercial-only: | 144 per year | Approximately 3 per year |

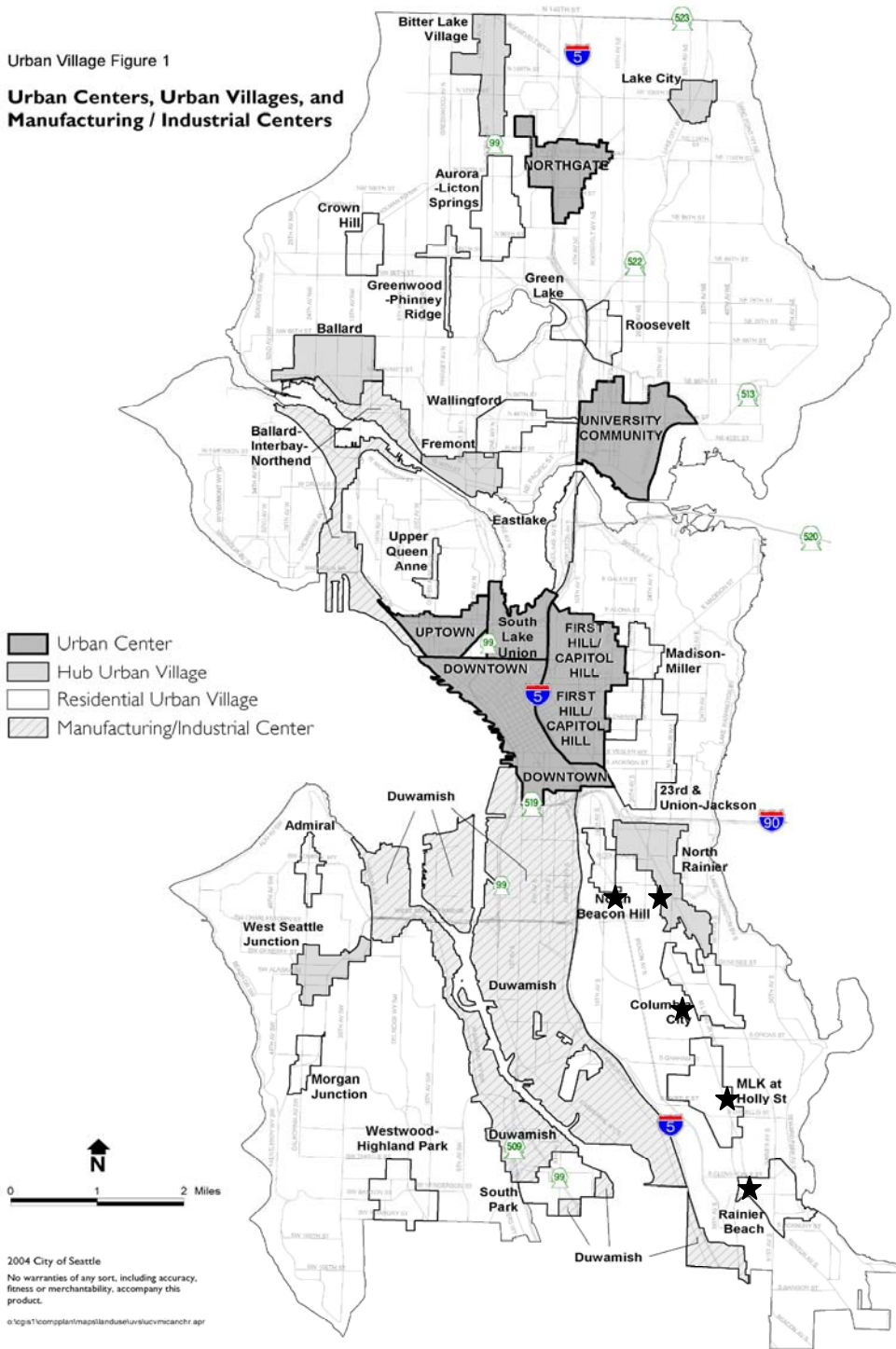
RECOMMENDATION

The proposal will supplement actions taken by the City Council recently to achieve a long-delayed update to the City’s SEPA rules in a manner encouraged by State SEPA rules and Growth Management Act; and several public policy objectives:

- Better align SEPA thresholds with the City’s comprehensive plan growth policies, encouraging more efficient growth and greater vitality in urban centers and villages;
- Improve efficiency in review processes and thereby reduce cost, risks and delays in permitting new housing and small businesses; and
- Continue to require SEPA review where there is potential for significant adverse environmental impacts.

Urban Village Figure 1

Urban Centers, Urban Villages, and Manufacturing / Industrial Centers



Note: Stars on map denote the locations of Station Area Overlay Districts that are outside Urban Centers.