



**ANALYSIS AND DECISION OF THE DIRECTOR
OF THE DEPARTMENT OF CONSTRUCTION AND INSPECTIONS**

**SEPA Threshold Determination
for
First Hill Landmark Preservation Legislation**

Project Proponent: City of Seattle

BACKGROUND AND PROPOSAL

This is a non-project proposal originated by the Seattle Office of Planning and Community Development (OPCD) that would update provisions of the Land Use Code addressing height limits and floor area limits in certain Neighborhood Commercial zones, per code sections 23.47A.012 and 23.47A.013. The proposal would create an opportunity for a building exceeding zoned height limits and floor area density limits in NC3-200 and NC3P-200 zones located in the First Hill/Capitol Hill Urban Center.

- This could occur if a development site obtained transfer of development rights (TDR) from a non-residential building lot or transfer of development potential (TDP) from a residential building lot within the same block.
- The only kinds of TDR or TDP that could be used are Landmark TDR or TDP.
- The total amount of floor area that could be obtained in this manner is proposed as 110,526 square feet.
- This additional floor area could be used for building portions that rise higher than the zoned height limit of 200 feet, up to a maximum of 350 feet in height (per City code guidance on how building height is measured).

The location of the NC3-200 and NC3P-200 zones in the First Hill/Capitol Hill Urban Center is the half-blocks along Madison Street between Interstate 5 and Broadway Avenue. However, the only location where future development actions accommodated by the proposal might occur is the half-block vicinity located north of Madison Street between 9th Avenue and Terry Avenue. This is due to the presence of the landmarked Sorrento Hotel building, from which Landmark TDR is assumed to be obtainable.

Public Comment

The proposed changes to the Land Use Code require City Council approval. Opportunity for public comment will occur during future Council meetings and hearings. The legislative proposal, Director's Report, an environmental checklist, and this environmental review and SEPA Determination will be available online for public comments after announcement in the City's Land Use Information Bulletin.

ANALYSIS – OVERVIEW

Environmental review resulting in a Threshold Determination is required pursuant to the State Environmental Policy Act (SEPA), WAC 197-11, and the Seattle SEPA Ordinance (Seattle Municipal Code (SMC) Chapter 25.05).

The following report describes the analysis conducted to determine that the proposal is not likely to result in *probable significant adverse environmental impacts*. This threshold determination is based on:

- the language of the proposed amendments and related contents as described above;
- the information contained in the *SEPA checklist* (dated September 10, 2021), including annotations made by SDCI staff;
- review of materials prepared as background information about the code amendments, prepared by City staff; and
- the experience of the SDCI analyst in reviewing similar documents and actions.

ELEMENTS OF THE ENVIRONMENT

Short-Term and Long-Term Impacts

A. Natural Environment

Earth, Water, Water Quality, Plants/Animals/Fisheries/Marine Life

The proposal is not expected to generate significant adverse impacts for these natural environmental elements, at a non-project level or in its potential for cumulative impacts related to future development influenced by the proposal.

Seattle is mostly urbanized in its development patterns, but it also has retained greenbelts, hillsides, stream, river, bay, and lake environments with diverse kinds of plant, animal, fish and marine habitats. This includes many shoreline edges hosting birds, fish, and other marine life.

- Wildlife on land largely includes those species habituated to urban areas and fragmented vegetated areas in the city, with common types including squirrels, opossum, coyotes, and a variety of bird species including eagles. Threatened, protected, or endangered species that could be present near future development include heron, and salmon in locations downstream via natural drainages. Given its location, the site does not provide meaningful wildlife habitat of any kind.
- Seattle has numerous soil types, including mineral soils dominated by clay, silt, or sand, as well as organic soils such as peats and mucks. No agricultural soils or prime farmland are located within the Seattle corporate limits. As a densely urbanized area, much of Seattle's native soils have been extensively altered by filling, grading, and other activity. The affected environment's soils have been influenced by past development and Seattle's ancient glacial history. These may include surficial fill soils underlain by glacial-related soil layers.
- The Seattle area is known to be in an active seismic area, as is the entire Puget Sound region. The City's geologically hazardous areas are defined by SDCI as environmentally

critical areas (ECAs). Unstable soils and surfaces occur primarily in two contexts: 1) steep slopes and landslide-prone areas, where a combination of shallow groundwater and glacial sediments deposited in layers with variable permeability increases the risk of landslides; and 2) areas of fill or alluvial soils where loose, less cohesive soil materials below the water table with potential for liquefaction during earthquakes. The site is likely not subject to worst-case seismic hazards, although surficial fill soils potentially could be present given past development. Any future development in the affected environment would ensure site preparation that provides for sufficient stability of soils and foundations using designs that would meet minimum seismic hazard building code requirements.

This non-project proposal affects one-half block of land in the First Hill-Capitol Hill Urban Center near Downtown Seattle. The block's topography generally slopes downward toward the west, but with one existing building (Sorrento Hotel) at an elevation comparable to Terry Avenue, and a second existing building at a lower elevation comparable to 9th Avenue. The adjacent Madison Street slopes moderately downward toward the west, with a 35-foot net difference in elevation from east to west. The steepest slope on the adjacent Madison Street site edge is approximately 5% or less. The affected environment does not have mapped steep slope areas, or any kind of environmentally critical areas. The nature of the proposal would ensure, through transfer of development rights from the Sorrento Hotel (half of the affected environment), that future grading or substantial disturbance of that property would not occur.

Also, given the nature of the proposal, future development would likely lead to demolition of an existing low-scaled masonry building with future grading and construction of a new highrise structure on an approximate quarter-block site (half of the affected environment). Such development would not increase the total presence of impervious surfaces, since the existing building fully in the western half of the affected environment entirely occupies its site. Grading would occur during construction, which creates the prospect for worst-case erosion or tracking of site soils off-site, which might be transported to downstream locations such as Elliott Bay in the worst-case. However, typical erosion control measures and similar requirements at construction sites, determined by future permit reviews, would be able to control these future worst-case kinds of impacts, which would minimize the potential for adverse environmental impacts to earth, water, water quality, plant/animal/fisheries and marine habitats.

Air Quality, Noise, Energy, Natural Resources Depletion, Environmental Health

This non-project proposal would result in no direct adverse or significant adverse impacts to these environmental elements because it does not directly propose development. Similarly, this analysis identifies no adverse or significant adverse indirect or cumulative environmental impacts of these kinds.

Air Quality, Toxic/Hazardous Substances, Noise

The proposed non-project action would not directly generate potential for significant increases in discharges or emissions of toxic or hazardous substances, to the air or water, or increase the production of noise. Rather, it would provide more flexibility in code requirements to accommodate transfer of development rights from the Sorrento Hotel property to other properties within its immediate vicinity. This could facilitate future possible development in the affected environment, including only the single one-quarter-block property at 9th Avenue and Madison Street, which currently includes a building used as a parking garage.

The effect of the proposal would be to enable a future possible building development that could be a maximum of 350 feet in height rather than 200 feet. Under this scenario, the potential exposure of the natural environment to toxic/hazardous substances from demolition of the existing garage would be approximately the same, with or without the proposal. Similarly, the future development site's coverage with or without the proposal would be the same at an assumed 100% coverage, thus conceptually generating approximately the same potential for water runoff (which would be directed to existing systems nearby).

Potential future increased total occupancy of the quarter-block property with possible residents would add incrementally to potential total air emissions and risk of annoying noise generation, equivalent to approximately 12-15 additional stories of building occupation. Within the context of Seattle's urbanized environment, the probable differences in emissions and noise would be relatively slight and might be undetectable in the neighboring Urban Center environment.

Energy and Natural Resource Depletion

The proposal would not be likely to generate significant direct, indirect, or cumulative adverse impacts of energy consumption or natural resource depletion. Rather, by growing in an Urban Center, within a new building that would be subject to current energy codes that require greater efficiencies than prior codes, the future development accommodated would be considered to occur in an energy-efficient manner. It would deplete energy and natural resources at a lower rate compared to the same amount of residential units if they occurred scattered across a broader geographic area that would require greater amounts of daily travel and related transportation-related energy consumption. Also, creating tools that ensure the preservation of a historic building for long-term use would avoid expending of energy for demolition and redevelopment activities at the Sorrento Hotel property.

B. Built Environment

Land and Shoreline Use, Height/Bulk/Scale, Housing, Relationship to Plans and Policies

The proposal would result in no direct impacts and is unlikely to result in significant indirect or cumulative adverse impacts related to land or shoreline use. This proposal is not likely to negatively affect the arrangement and combinations of land uses on the ground that could occur within the First Hill neighborhood that is a designated Urban Center.

The non-project action, through allowing transfer of development rights from the Sorrento Hotel property, would increase the total height of a potential future development on a single quarter-block property by 150 feet: 350 feet in height rather than 200 feet. This would generate a degree of added total potential for one tall building at this location, which would incrementally increase potential for adverse impacts related to building height, bulk and scale. Such a development would contrast in scale with the immediately surrounding existing buildings that range from approximately 1 to 7 stories in height. However, the site vicinity's zoning and planning designations already contemplate dense future development that could reach 200, 240, or even 300 feet in building height, for example. Also, it is noted that the difference in elevation between the higher easterly portion of the affected environment (Sorrento Hotel property at Terry Avenue) and the lower westerly portion at 9th Avenue is approximately 35 feet. Therefore, the proposal's accommodation of a future new building that could reach up to 350 feet in height would not be substantially out-of-scale with the zoned heights of buildings in the immediate vicinity. Also, the

broader vicinity to the west includes the central core of Downtown Seattle which has buildings up to 700+ feet in height and has a maximum height limit that is technically unlimited in height.

If built at the 9th Avenue and Madison Street site, a future tall building in residential or non-residential use would be able to fit in with the adjacent urban built environment given the diverse mix of residential and non-residential uses that are already present in the broader First Hill vicinity. Factors such as applicable development standards, future permit review, and Design Review process for a future development proposal would be able to ensure a development that would not likely generate significant adverse bulk, scale, compatibility, or aesthetic impacts upon its surroundings. Therefore, the proposed non-project action would not likely allow or encourage land uses that would be incompatible with existing city land use plans.

Housing

The proposed non-project action would not directly impact existing housing, as the single property likely subject to redevelopment as a result of the proposal contains only a garage structure, not residential uses. The intended preservation of the Sorrento Hotel building also would not generate adverse housing impacts, and no other displacement of housing or demolition of buildings containing housing is likely to occur. This determination therefore identifies no probable significant adverse housing impacts of the proposal.

Relationship to Plans and Policies

The proposal would be consistent with goals and policies of the City's Comprehensive Plan, such as the following:

Goal LU G14 (Historic Preservation) *Maintain the city's cultural identity and heritage.*

LU 14.5 *Use incentives, including the transfer of development rights, to encourage property owners and developers to restore or reuse designated landmark structures and specified structures in designated districts.*

LU 14.7 *Protect the scale and character of the established development pattern, while encouraging compatible and context-sensitive infill development.*

Goal LU G15 *Promote the economic opportunities and benefits of historic preservation.*

LU 15.4 *Explore and provide various financial and regulatory incentives, if possible, to allow for the productive, reasonable, and adaptive reuse of historic resources.*

First Hill Neighborhood Plan

Goal FH-G2 *An active, pedestrian-friendly urban center village that integrates residential, commercial, and institutional uses, and maintains strong connections to surrounding neighborhoods and the urban center.*

FH-P1 *Encourage mixed-use development in the Madison Street district to create more of a visual and functional center to the neighborhood and strengthen the relationship between the residential and commercial areas in First Hill.*

FH-P7 Encourage new housing development on underutilized sites.

Historic Preservation and Cultural Preservation

Seattle contains a number of landmarks, properties, and districts that are listed on, or proposed for, national, state, and local preservation registers. In addition, while Seattle today comprises a highly urbanized and developed area, it is also an area with potential for the presence of cultural artifacts from indigenous peoples.

The proposal would not generate risks of historic sites or structures being redeveloped. Rather, the Sorrento Hotel is an existing landmarked building, and the proposal would allow sale and transfer of development rights on that property, to help further ensure its protection and preservation.

Most cultural sites and resources at risk from future development in Seattle are in unknown locations due to their being buried under soils, although certain vicinities such as near-shore areas are known to have greater potential for presence of such resources given past activities of indigenous peoples. There is an unknown potential that cultural resource artifacts could be unearthed if the garage property is later redeveloped. If such resources would be found, the City's policies and procedures would be followed with respect to the preservation of those resources. This potential for cultural resources to be present is the same with or without the proposal, and therefore there is no net new impact potential identified with this proposal.

Transportation, Parking, Public Services and Utilities

The proposal would not be likely to generate significant direct, indirect, or cumulative adverse impacts on transportation, parking, public services, or utilities.

The current non-project proposal would not directly generate new adverse impacts on transportation or public services within the City of Seattle. However, the non-project action ultimately could lead to future development on a single one-quarter block property, which could reach 150 feet higher in height, or about 12-15 stories of additional development above the existing 200 foot height limit.

This net difference in future total development potential would likely generate additional net increases in demands on transportation and parking systems, and for public services and use of utility systems in the site's First Hill vicinity. A rough estimate of this net added potential could be approximately 100 to 200 additional households added in a residential development.

Conceptually, such future development might generate 6 trips per day per dwelling unit, which would equate to an increase of about 600-1,200 total new trips per day. However, given its location near Downtown Seattle, Capitol Hill, and bus services, a good portion of these trips would likely occur by foot or transit rather than by automobile.

This amount of increased potential future development would generate new demand for public services such as police and fire/emergency protection, parks, schools, transit, medical and social services, and utilities such as water, sewer, electricity, gas, and communications systems.

The affected environment is a highly urbanized Urban Center, which has a large population, and well-established street, transit, parking, public service delivery systems, and utility systems. Therefore, the potential for net increases in future transportation demand, and upon public services and utilities, would not likely represent significant adverse impacts due to their limited magnitude.

DECISION – SEPA

This decision was made after review by the responsible official on behalf of the lead agency of a completed environmental checklist and other information on file with the responsible department. This constitutes the Threshold Determination and form. The intent of this declaration is to satisfy the requirement of the State Environmental Policy Act (RCW 43.21C), including the requirement to inform the public of agency decisions pursuant to SEPA.

- [X] Determination of Non-Significance. This proposal has been determined to not have a significant adverse impact upon the environment. An EIS is not required under RCW 43.21C.030(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: _____/s/_____ Date: September 23, 2021
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