

**FINDINGS, CONCLUSIONS AND DECISION
OF THE CITY COUNCIL OF THE CITY OF SEATTLE**

City Council Concept Approval and waiver)	
or modification of certain development)	Clerk File 314305
standards to allow development of an)	
electrical substation, the Denny Substation,)	FINDINGS, CONCLUSIONS,
located at 1250 Denny Way (Project No.)	AND DECISION
3014772; Type V).)	

Background

The proposed project would establish a city facility (Denny Substation) at a site on the edge of the South Lake Union/Cascade Neighborhood on two blocks bounded by Denny Way, Minor Ave. N., John St. and Yale Ave. N. The project includes installation of a screen wall, control building, maintenance building, transformer units and other electrical mechanical equipment. Vehicle access for the facility is to be located on John Street, across from the intersection of Pontius Avenue North and John Street. The project also requires a street vacation for the portion of Pontius Avenue North between Denny Way and John Street. Seattle City Light has prepared Draft and Final Environmental Impact Statements (dated March 27, 2014 and January 22, 2015).

Pursuant to SMC 23.76.064, City Council Concept Approval is required for city facilities, and the Council has authority to modify or waive development standards that apply to a site that is a City facility as defined in SMC 23.84A.006. Seattle City Light requests seven modifications of the land use code, as follows:

- A greater setback than permitted in an SM zone (SMC 23.48.014.A.3);
- A waiver or modification to the facade transparency requirements in an SM zone (SMC 23.48.014.D.1);
- A waiver or modification to the blank facade limits in an SM zone (SMC 23.48.014.D.2 and D.3);
- A waiver or modification to the green factor requirements in an SM zone (SMC 23.48.024.A.2 and SMC 23.86.019);
- A waiver or modification to the minimum facade height in an SM zone (SMC 23.48.015.A.2);
- A waiver to the accessory surface parking requirements in an SM zone (SMC 23.48.034.C.3); and
- A waiver or modification to the parking and loading access requirements in an SM zone (SMC 23.48.034.D.1).

The Department of Planning and Development (DPD) reviewed the project and issued its Analysis and Recommendation on June 29, 2015. Notice of an associated public hearing before the City Council's Transportation Committee (Committee) was also published on June 29, 2015 along with notice of a public hearing for the related street vacation. DPD recommended approval of the project and the requested modifications.

This matter first came before the Committee on July 28, 2015. At that meeting, the Committee considered the merits of the proposal. On July 30, 2015, the Committee held public hearings on the proposed council concept approval and on the related street vacation. At its August 13, 2015, meeting, the Committee voted to recommend that the full City Council approve the project and grant the requested development standard modifications.

Findings of Fact

The City Council adopts the following Findings of Fact:

1. The site is 3.2 acres and is located at 1250 Denny Way. It includes portions of two blocks bounded by Minor Avenue North, John Street, the alley west of Yale Avenue North and Denny Way. The project site includes a one-block section of Pontius Avenue N. between Denny Way and John Street, which is subject to a separate street vacation petition. Seattle City Light proposes to establish an electrical substation on the site.
2. Seattle City Light owns the site, which is zoned Seattle Mixed 240/125-400. A substation is a permitted use in this zone.
3. The Denny Substation project is proposed in order to provide reliable electrical service for the fast-growing South Lake Union and Denny Triangle areas, and to enable the City to meet the land use planning goals established for the area by the South Lake Union Urban Center Neighborhood Plan.
4. The substation concept is an open-air facility enclosed by a screen wall on four sides and not roofed. The substation would contain transformers and associated equipment (including switchgear, grounding bank and inductors) and would be completed in phases. As electrical loads expand over time, Seattle City Light would add equipment to the substation to maintain reliable electrical service, but the outer footprint of the substation would be constructed during the first phase and would not be expanded. Dates for future phases are not currently known and will depend on electrical load growth. All electrical lines entering and exiting the substation (both transmission and distribution) would be underground.
5. Vehicular access to the site will be provided from John Street at the intersection with Pontius Avenue N. to the north. Pontius is a non-arterial street improved with curbs, sidewalks, gutters and street trees.

6. In addition to the substation, plans call for creating an off-leash dog park (approx. 6,000 square feet), public seating and walking areas, an “energy information center” (approx. 2,900 square feet) and a public meeting space to be programmed by the Seattle Office of Arts and Culture (approx. 3,900 square feet). Temporary off-street parking and loading space to serve the public spaces will be provided on the west side of the structure.
7. The project includes a pedestrian passageway from the corner of Minor Avenue N. and Denny Way to the intersection of John Street and Pontius Avenue N. In addition, a pedestrian walkway would wrap the substation. Educational displays and windows into the substation facility would be located along the walkway.
8. Planned landscaping includes installing planting beds and trees, including landscaping along John Street and Minor Avenue N. adjacent to the Brewster.
9. The site is generally flat.
10. The site is currently vacant, and previously held a maintenance facility for Greyhound bus lines.
11. The project is a City facility as defined in SMC 23.84A.006. SMC 23.76.036 and 23.76.064 provide that the City Council may waive or modify development standards for City facilities.
12. The following development standard modifications are being sought:

Development Standard	Requirement	Proposed Modification
Allow waiver of Minimum Facade Height requirement (SMC 23.48.014.A.2)	25 foot minimum facade height along Denny Way	Allow a minimum facade height of 20 feet along Denny Way
Allow waiver to exceed the Maximum Setback limit (SMC 23.48.014.A.3)	12 foot maximum setback requirement	Allow greater than 12 foot setback along Minor Ave. N. and John St.
Allow waiver to have less facade transparency than required (SMC 23.48.014.D.1)	60% required transparency between 2 feet and 8 feet above the sidewalk along Denny Way and John Street.	Allow 54% transparency along Denny Way and 18% transparency along John Street.
Allow waiver to have longer blank facades than permitted (SMC 23.48.014.D.2 and D.3)	30 foot blank facade limit along Minor Ave., 15 foot blank facade limit along Denny Way, and 15 foot blank facade limit and 40% blank	Allow blank facades beyond the permitted limits along Minor Ave. N., Denny Way and John Street street-level street-facing facades.

Development Standard	Requirement	Proposed Modification
	facade limit along John Street.	
Allow waiver of green factor requirements (SMC 23.48.024.A.2 and 23.86.019)	Landscaping that achieves a green factor score of .30 or greater.	Allow a green factor score of 0.17.
Allow accessory surface parking between the street and the structure (SMC 23.48.034.C.3)	Accessory surface parking is prohibited unless separated from all street lot lines by another use within a structure.	Allow limited on-site special event surface parking between the structure and the street.
Allow access to parking and loading from the street (SMC 23.48.034.D.1)	Access to parking and loading is required from the alley.	Allow access to parking and loading from John Street.

13. The requested waiver of the minimum facade height is due to the unique geometry of the project. The average facade height of the structure along Denny Way would be 27 feet in order to meet the intent of the requirement. The section of the facade that drops below 25 feet is an architectural response to the unique urban condition and project type. The site is located at a key node joining the Downtown, Capitol Hill and South Lake Union/Cascade neighborhoods. The location is an intersection of the two major urban grids in Seattle and is a distinctive point of transition both in character and in geometry for the neighborhoods. One of the opportunities of the project is to leverage the sense of open space and maximize the amenity of access to light and air. Lowering the facade along Denny to less than 25 feet is intended to acknowledge the axial relationship to Virginia Street as well as welcome and draw pedestrian activity to the open space developed as part of the project, and to maximize the amount of light that is available to the open space on the site.
14. The requested waivers of the setback requirements from John Street and Minor Ave. N. are due to the open space proposed along John Street and Minor Ave. N. as well as substation program requirements. The project will provide public open space between the street and the structure along both John Street and Minor Ave. N. to create community connection and use. The substation also has a functional requirement to be set back from John Street to allow for large service vehicle access and clearance requirements.
15. The requested waivers of the facade transparency requirements and blank facade limits are due to current Federal (North American Electric Reliability Corporation [NERC]) regulatory requirements for substations. Due to NERC requirements, visual access into the substation must be limited. In lieu of providing transparent walls, translucent glazing is proposed to allow transmission of light and to create facade variations both in daytime and nighttime conditions. The changing geometrical planes of the facades are

proposed to meet the intent of the requirement to create an interesting variation and an engaging street level facade. Transparent facades have been provided where possible. In addition, Seattle City Light has committed to making streetscape improvements, including pedestrian lighting, in the Cascade neighborhood in conjunction with network improvements in that area.

16. The requested waivers of the green factor landscaping requirements are due to programmatic infrastructure requirements that do not allow landscaping within the substation yard or dog park, and brownfield redevelopment restrictions preventing on-site stormwater infiltration. Given these limitations the project has sought to meet the green factor requirements to the extent feasible, including the use of bio-retention cells, stormwater collection, maximizing soil depth, tree plantings where clearance from underground utilities allow, plantings on the elevated walkway surrounding the structure, and streetscape improvements including a continuous planting strip along John, Denny and Minor. In addition, Seattle City Light has committed to making streetscape improvements, including plantings and street trees in the Cascade neighborhood in conjunction with network improvements in that area.
17. In the Seattle Mixed zone, surface parking is prohibited unless separated from all street lot lines by another use within a structure. The requested modification of this requirement will allow for limited special event parking in a multi-use zone between the structure and Marion Ave. N. This space is intended for temporary use by vehicles such as food trucks, bookmobiles and service vehicles in the event of a utility emergency.
18. The requested modification of parking and loading access requirements is due to the large vehicles that are required to service the substation. The Seattle Mixed zone requires access to parking and loading from the alley when a lot abuts an alley, unless a significant safety hazard would be created. Alley access would not allow for the required turning radius of large transport vehicles. In addition, changes in grade from the alley to the substation yard grade make vehicle entry to the substation infeasible. The service door will be treated with special glazing as well as artistic environmental graphic installations to make the door a visual feature that will provide interest.
19. Seattle City Light instituted an Interdepartmental Team to facilitate and streamline review of the project design and EIS by other City departments. Along with regular project updates, Seattle City Light provided iterations of design plans and specifications for review by these departments: DPD, FAS, Parks, SDOT and SPU. All of the design review and SEPA comments by these agencies were considered and addressed through the design process to the satisfaction of the agencies. Seattle City Light coordinated with two external governmental agencies in particular regarding the substation: King County Metro and King County Wastewater Treatment Division. In addition, the government agencies with jurisdiction received all MUP and SEPA notices. Only King County Metro submitted comments about the substation project. They requested mitigation to address impacts to transit service during construction of the facility. City staff

acknowledged the comments by email. Construction activities will be managed to minimize potential disruptions to transit service.

20. DPD initiated the required public comment period for this proposed project on April 24, 2014 through May 7, 2014 and received five written comments. The first commenter express concern regarding traffic and parking impacts resulting from the project and its related street vacation. Staff requested traffic and parking information during review of the project. Review of the proposal determined that these impacts can be addressed by the design of the proposal and that traffic patterns will adjust over time to the proposed revisions to the street grid. Staff also found that improvements to pedestrian crosswalks abutting the site will result in better use of vehicle parking near the proposal. The second commenter expressed concern regarding pedestrian safety on the abutting and adjacent streets and asked for setbacks from the abutting sidewalk. The Seattle Design Commission (SDC) and City staff reviewed the proposal and determined that these impacts can be addressed by the design of the proposal. All abutting walkways will be maintained or improved for pedestrian safety. Improvements to the abutting pedestrian crosswalks will result in better pedestrian circulation around the site. The third commenter expressed concern regarding increased noise and light for their building's occupants. The SDC and City staff reviewed the proposal, City staff requested noise mitigation measures to minimize impacts and determined that impacts can be addressed by the proposal. Construction impacts from noise and light can be mitigated and will be monitored and enforced during all phases of construction. Operational impacts from noise and light will be code compliant. Commenters four and five asked for an extended comment period. In response, the comment period was extended.
21. As a City facility, the proposal was subject to review by the SDC in their role in advising public project proponents and helping foster well-designed civic projects. The Seattle Design Commission held six meetings over four years and provided input and approved the design of the project and recommended approval of the requested waivers on February 19, 2015 with the following comments:

"The Commission recognizes that code provisions generally do not anticipate facilities like Denny Substation, and accordingly, finds the seven waivers to be justifiable in this instance. We appreciate the creativity SCL has brought towards striving for code compliance where possible. However, this action does not set any precedent regarding waivers for such facilities, the merits of which should always be evaluated on a case-by-case basis."

"Identify and pursue off-site opportunities to make Green Factor improvements, even if they do not strictly contribute to the project's Green Factor score. Provide an analysis of how these improvements could increase the project's Green Factor score were such an off-site approach allowed. We recommend Council consider this approach to achieving Green Factor for this type of facility rather than an outright waiver of its Green Factor responsibility."

22. Seattle City Light, as the Lead Agency for the proposal, issued a Determination of Significance and Scoping Notice for the project on October 8, 2012. Scoping was conducted and a Draft Environmental Impact Statement was issued in March 2014. The 30-day comment period ended on April 26, 2014. Written public comments on the DEIS were received by the lead agency from 18 commenters and 11 people provided oral comments during testimony at the April 16th DEIS public hearing. A Final EIS was issued on January 22, 2015. DPD staff participated in the City of Seattle Interdepartmental Team for the project in reviewing preliminary drafts of the Draft and Final EIS, and considered the EIS to be adequate to understand probable project impacts and appropriate mitigation. Two parties appealed the adequacy of the EIS: Capitol Hill Housing and International Community Health Services. The Deputy Hearing Examiner issued a decision upholding the adequacy of the EIS on April 8.
23. SMC 23.76.050 requires the DPD Director to evaluate the project based on the standards and criteria for the approval sought, and consistency with applicable City policies. On June 29, 2015, DPD issued the Director's Analysis and Recommendation on the project. The DPD Director recommended the City Council approve the proposed modifications and waivers of development standards and grant the concept approval for the project.
24. A public hearing on the requested Council Concept Approval and development standard modifications was held on July 30, 2015. No members of the public testified regarding these requested Council actions.

Conclusions

The City Council adopts the following Conclusions:

1. The site is a City facility as defined in SMC 23.84A.006.
2. The City Council also has authority to waive or modify development standards for a City facility under SMC 23.76.036 and 23.76.064.
3. The City's development standards in the SM 240/125-400 zoning district were not specifically established for properties as large as the site and uses such as an electrical substation.
4. The requested modifications of development standards are necessary to allow the project and site to effectively function as an electrical substation.

Decision

The City Council approves in concept the proposed electrical substation described in Clerk File 314305 and GRANTS the following development standard modifications for the project:

Development Standard Modifications

Code Section	Code Standard	Modification Allowed
SMC 23.48.014.A.2 Street-level development standards (Minimum facade height)	25 foot minimum facade height along Denny Way	Allow a minimum facade height of 20 feet along Denny Way
SMC 23.48.014.A.3 Street-level development standards (Permitted setbacks from street lot lines)	12 foot maximum setback requirement	Allow greater than 12 foot setback along Minor Ave. N. and John St.
SMC 23.48.014.D.1 Street-level development standards (Transparency and blank facade requirements)	60% required transparency between 2 feet and 8 feet above the sidewalk along Denny Way and John Street.	Allow 54% transparency along Denny Way and 18% transparency along John Street.
SMC 23.48.014.D.2 Street-level development standards (Transparency and blank facade requirements)	30 foot blank facade limit along Minor Ave., 15 foot blank facade limit along Denny Way, and 15 foot blank facade limit and 40% blank facade limit along John Street.	Allow blank facades beyond the permitted limits along Minor Ave. N., Denny Way and John Street street-level street-facing facades.
SMC 23.48.024.A.2 and 23.86.019 Screening and landscaping standards	Landscaping that achieves a green factor score of .30 or greater.	Allow a green factor score of 0.17.
Allow accessory surface parking between the street and the structure (SMC 23.48.034.C.3)	Accessory surface parking is prohibited unless separated from all street lot lines by another use within a structure.	Allow limited on-site special event surface parking between the structure and the street.
Allow access to parking and loading from the street (SMC 23.48.034.D.1)	Access to parking and loading is required from the alley.	Allow access to parking and loading from John Street.

Dated this _____ day of August, 2015.

City Council President