Seattle City Council

Central Staff - Memorandum

Date: September 25, 2015

To: Planning, Land Use and Sustainability Committee

From: Eric McConaghy and Ketil Freeman, Council Central Staff

Subject: 2015 Comprehensive Plan Amendment Bills and State Environmental Policy Act Categorical Exemption Bill

Introduction

The Department of Planning and Development (DPD) proposes three council bills to amend the Comprehensive Plan:

- Council Bill (CB) CB 118469 proposes amendments to Seattle's Comprehensive Plan responsive to proposals for annual amendments and to State requirements for periodic review;
- CB 118470 proposes amendments to the Future Land Use Map (FLUM)[1] and policies in the University Community Urban Center Neighborhood Plan resulting from work with the University District community; and
- CB 118471 proposes amendments to clarify and strengthen goals and policies related to affordable housing, proposed amendments are necessary to implement the Affordable Housing Impact Mitigation Program proposed by the Housing Affordability and Livability Action Agenda Committee.

In addition, DPD proposes CB 118518, which would lower State Environmental Policy Act (SEPA) categorical exemption levels for infill residential and commercial development. Development exceeding categorical exemption levels is required to go through SEPA review. This legislation is necessitated by Comprehensive Plan amendments in CB 118469, which would establish new growth estimates for Urban Centers.

The Planning Land Use and Sustainability Committee (PLUS) was briefed on the proposed amendments and held a public hearing on September 15, 2015. This memorandum (1) identifies some housekeeping amendments for CB 118469 and CB 118470, (2) discusses and sets out options for issues identified at the September 15th public hearing, and (3) discusses the content and practical implications of SEPA categorical exemption bill.

[1] The Future Land Use Map is the generalized policy on which the City's zoning map is based. Amendments to the FLUM are a necessary precedent to changes in zone designation. However, FLUM amendments do not, in and of themselves, change a zone designation nor do they compel a future change to zone designation.

Housekeeping Amendments

Staff has identified several housekeeping amendments. Proposed amendments do not make substantive changes to language proposed by the DPD. Amendments are summarized below, and shown on attachment A to the memorandum.

Proposed Housekeeping Amendments

Location in Bill	Description
A. CB 118469 – Annual Amendments and State Requirements	
1. Bill Body: New Section 3	Add a new section three making findings recommended by the Department of Commerce.
2. Attachment 2: Urban Village Element	Replace use of the term "growth target" with "growth estimate" and update corresponding policy regarding monitoring.
3. Attachment 4: Transportation Element	Replace "Transportation Strategic Plan" with "Right-of-Way Improvement Manual" in policy about boulevards (T12).
4. Attachment 6: Economic Development Element	Make the following change in policy EDG1: ((~~Add~~))Accommodate approximately ((~~84,000~~))115,000 jobs…
5. Attachment 12: Housing Appendix	Text edits, move data sources discussion, and reformat *Figure A-1: Seattle Residential Development Capacity Model Estimates.*
B. CB 118470 – University Community Center	
1. Attachment 2: Recommended Amendments to Neighborhood Planning Element: B-30 University Community Urban Center	▪ Clarification of an amended policy (UC-P 12) that calls for employing a variety of strategies to provide for housing. ▪ Clarification of an amended policy (UC-P 18) that deals with connections between the University District and the University of Washington campus, and removes reference to external documents.

Issues and Options from the September 15th Public Hearing

Issue	Discussion	Options
CB 118469 – Annual Amendments and State Required Update		
1. Should the Council allocate growth estimates to Urban Villages?	The Comprehensive Plan currently allocates employment and residential growth ***targets*** among planning geographies, such as urban centers and villages. The proposed bill allocates employment and residential growth ***estimates*** to Urban Centers and Manufacturing / Industrial Centers, only. DPD characterizes this as a provisional step that will be revisited with other updates to the Comprehensive Plan in 2016 after completion of environmental review. On September 15th the Committee heard testimony urging inclusion or growth estimates for residential villages and amendments to the Urban Village Element, which would modify existing policies and establish new policies for on-going monitoring of growth in residential urban villages.	a. Accept growth estimates as proposed by DPD. b. Amend the urban village element attachment to include evenly distributed growth estimates for urban villages and add policy language establishing a work program item for ongoing monitoring and reporting. c. Amend the body of the bill to include direction to DPD to: (1) develop options, which allocate growth estimates to urban villages, for Council consideration in 2016, and (2) develop a proposal for on-going growth monitoring.
CB 118470 - *University Community Urban Center Policy and FLUM Changes*		
1. Should the Council elevate the importance of goals / policies for a centrally located open space?	The University Community Urban Center has an approximately five acre open space deficit. Proposed open space policies include a new policy related to acquisition and development of a centrally located open space. UC-P20 Pursue the creation of a centrally-located, flexible open space, ideally within two blocks of the Sound Transit light rail station at Brooklyn and 43rd. Surround this open space with active uses,	a. Accept policy UC-P20 as proposed by DPD. b. Amend the policy to clarify that establishment of a centrally located open space is the highest priority for open space acquisition and development in the urban center.

	and manage it to ensure that it is a positive addition to the neighborhood. Open space advocates have encouraged to Council elevate the priority of this policy.	
2. Should the Council amend the FLUM to remove the entirety of an area recommended by the Roosevelt Neighbor's Alliance (RNA) from the Urban Center?	Proposed FLUM amendments would remove some existing multifamily zoned areas in the vicinity of the University Playground from the Urban Center. Proposed FLUM amendments would also add some existing areas, such as the Blessed Sacrament Church site, to the Urban Center. See area B on p. 5 of the DPD Director's Report. The RNA provided written testimony encouraging the Council to consider removing a somewhat larger portion of the multifamily zoned areas from the Urban Center.	a. Accept the FLUM amendments and boundary changes as proposed by DPD. b. Amend the FLUM to remove a portion of the blocks fronting on 9th Ave between NE 47th and NE 53rd St from the Urban Center.
3. Should the Council change the FLUM designation of a portion of the block bounded by NE 45th St, NE 47th St, 8th Ave NE, and 9th Ave NE from Multifamily Residential to Commercial / Mixed-use?	Proposed FLUM amendments would change the designation for the block containing the University Plaza condominium from Multifamily Residential to Commercial / Mixed-use. See area C on p. 5 of the DPD Director's Report. The FLUM amendments are a necessary, but not sufficient, step towards rezoning the area to allow mixed-use development. DPD has analyzed the potential for mixed-use development with a height of 320 feet for the area. Residents of the University Plaza condominium testified against the FLUM change noting the residential character of the block.	a. Accept the FLUM amendments and boundary changes as proposed by DPD. b. Amend the FLUM to retain a Multifamily / Residential designation for most the block bordered by NE 45th St, NE 47th St , 8th Ave NE , and 9th Ave NE.

SEPA Categorical Exemptions for Infill Development

In 2012 the Council passed Ordinance 123933. Among other things Ord. 123933 raised levels below which residential and commercial development would be categorically exempt from review pursuant to the State Environmental Policy Act. Projects that are not categorically exempt from SEPA are Type II for the purposes of the Land Use Code. Type II decisions are discretionary decisions by the DPD Director that may be appealed to the City Hearing Examiner.

Higher categorical exemption levels are authorized for infill residential and commercial development by RCW 43.21C.229. Exceptions to categorical exemptions authorized under RCW 43.21C.229 are available when several conditions have been met including environmental analysis through and environmental impact statement. The City is completing an EIS as part of the Seattle 2035 Comprehensive Plan update process. A Final Environmental Impact Statement (FEIS) will be complete in early 2016. However, because DPD is proposing to update the Comprehensive Plan this year with estimates for residential and employment growth prior to the EIS being complete, the City most suspend higher categorical exemption levels until the FEIS is complete.

Because residential growth has exceeded targets in most urban centers and villages, higher categorical exemptions for residential development are currently only available in the Northgate and South Lake Union Urban Centers and the North Beacon Hill, North Rainier, and Rainier Beach Urban Villages. DPD estimates that up to 30 additional projects annually would be subject to SEPA review because of the changed categorical exemption levels.