

## SUMMARY and FISCAL NOTE\*

| <b>Department:</b> | <b>Dept. Contact/Phone:</b> | <b>CBO Contact/Phone:</b> |
|--------------------|-----------------------------|---------------------------|
| Legislative        | Lish Whitson/5-1674         | N/A                       |

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to environmental review; amending Sections 3.02.110, 25.05.035, 25.05.055, 25.05.070, 25.05.100, 25.05.440, 25.05.448, 25.05.545, 25.05.680, 25.05.800, 25.05.900, and 25.05.914 of the Seattle Municipal Code to clarify timelines and the content of administrative appeals, to authorize the development of Director’s Rules to clarify the content of environmental documents, and to make corrections and technical amendments.

**Summary and background of the Legislation:** The State Environmental Policy Act (SEPA) is Washington State’s law that mandates analysis of the environmental impacts of government decisions. In Seattle, the process includes an opportunity for appeal to the Seattle Hearing Examiner and the Courts if an appellant feels that the analysis is not sufficient. In recent years, appeals hearings have taken months resulting in significant delay in programs intended to create affordable housing and support non-motorized transportation, including Mandatory Housing Affordability, backyard cottages, extension of the Burke Gilman Trail and Fort Lawton affordable housing. Changes to state law and experience with lengthy appeals provide opportunities for reform of the City’s SEPA regulations to clarify the process and align City and State SEPA regulations. The negative impacts of these delays were recognized by the Washington State Legislature, which exempted some land use actions from SEPA appeal when it passed E2SHB 1923 in April,

This bill would make a number of technical changes to reduce the length and likelihood of SEPA appeals by improving the City’s processes and providing more consistent direction regarding the content of SEPA analysis. The bill references new provisions of the Revised Code of Washington (RCW) that exempt some City actions from SEPA review and exempt other SEPA actions from appeal. It would provide a time limit for Hearing Examiner appeal hearings. It would allow the Seattle Department of Construction and Inspections (SDCI) to develop Director’s Rules to guide SEPA analyses. The bill also makes a number of technical changes to clarify confusing or duplicative sections of the SEPA chapter.

Key changes in the bill include:

- Incorporation of SEPA exemptions for nonproject actions under RCW 43.21C.450;
- Incorporation of SEPA exemptions for multifamily, mixed use and commercial development in urban villages up to the limits currently provided for urban centers under RCW 43.21C.229;
- Incorporation of the waivers of appeals allowed under E2SHB 1923 (2019);

- A time limit on the length of SEPA appeals in front of the Hearing Examiner, limiting appeals to 120 days, 150 days with notice to all parties, or longer if all parties agree;
- Permission for the Director of the Seattle Department of Construction and Inspections (SDCI) to promulgate rules to provide uniform standards for preparing environmental documents;
- Clarification that additional non-environmental analysis of economic issues, when included in an environmental document, is not subject to appeal;
- Clarification that analysis of the potential economic impacts related to individual businesses is not required under SEPA; and
- Clarification that the Legislative Department may act as lead agency or may delegate lead agency status to another City agency, at its discretion.

In order to fully implement the legislation, the Seattle Hearing Examiner will receive authority to hire Hearing Examiners pro tem. They may need additional funding to hire those examiners, exact costs are difficult to determine because the authority will be provided on an as needed basis. In order to prepare Director's Rules permitted by the bill, SDCI may need additional staff. The bill does not require SDCI to prepare the rules.

## 2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project?  Yes  No

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget?  Yes  No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

In order to fully implement the legislation, the Seattle Hearing Examiner will receive authority to hire Hearing Examiners pro tem. They may need additional funding to hire those examiners. In order to prepare Director's Rules described in the bill, SDCI may need additional staff.

Is there financial cost or other impacts of *not* implementing the legislation?

Lengthy appeals take time and resources from City Departments and the City's Law Department.

## 4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?  
The legislation will require the Hearing Examiner to limit the length of hearings, possibly impacting workload. The legislation would allow the Hearing Examiner to hire Hearing Examiners pro tem to help meet the workload.

The legislation would allow SDCI to draft Director's Rules related to SEPA analysis. It does not require SDCI to prepare such rules.

**b. Is a public hearing required for this legislation?**

No.

**c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No.

**d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

Notice of an opportunity to comment is required.

**e. Does this legislation affect a piece of property?**

No.

**f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

None identified. Most recent SEPA appeals have primarily been brought in areas not at risk of displacement. The legislation allows the Hearing Examiner to adjust the amount of time for a SEPA appeal as appropriate.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

Not applicable

**List attachments/exhibits below:**