

February 28, 2023

MEMORANDUM

To: Transportation and Seattle Public Utilities Committee
From: Lish Whitson, Analyst
Subject: Clerk File 314512: 1305 Stewart Street Alley Vacation

On March 7, 2023, the Transportation and Seattle Public Utilities Committee (Committee) will receive a briefing on a petition from Denny & Eastlake Limited Partnership and Denny & Stewart Limited Partnership (petitioners) to vacate the alley on the block bounded by Stewart Street, Eastlake Avenue E and Denny Way ([Clerk File \(CF\) 314512](#)). The vacation would facilitate the development of a 15-story research facility. The site is located on the north side of Denny Way across Eastlake Avenue E to the west from Interstate 5 in the South Lake Union Urban Center, Council District 7.

The March 7 briefing is an “early Council briefing” as called for in the City’s [Street Vacation Policies](#). It is intended to provide members of the public with “an early opportunity to provide input on the vacation to the Council, the petitioner and City reviewers.” It also provides the Council with an opportunity “to hear about the vacation and provide early feedback regarding the process.”

This memorandum describes the proposed project and vacation and identifies issues for Councilmembers to consider in reviewing the petition.

1305 Stewart proposal


The petitioners have acquired four out of the five properties on the block bounded by Denny Way, Eastlake Avenue E and Stewart Street for redevelopment. The properties owned by the petitioners include a total of four one- and two-story retail, office and service buildings and a surface parking lot. Tenants of the buildings include a tattoo shop, a hookah lounge, the El Corazon and Funhouse music clubs, and an auto repair shop. The remaining building on the block, which does not abut the alley, is a two-story office building.

Denny Way abutting this block contains two sections: Lower Denny Way is a single eastbound lane at grade abutting the block; the main section of Denny Way is four lanes over a bridge structure that connects this portion of South Lake Union and Downtown Seattle with Capitol Hill. The Denny Way bridge lands at the intersection with Stewart Street on the southwest corner of this block.

Project Information

Site Plan

02

 Site plans, elevations, sketches, conceptual drawings, and any other renderings or visual representation of project



The site is zoned Seattle Mixed-South Lake Union 240/125-440 (SM-SLU 240/125-440). The SM-SLU 240-125/440 zone allows for a broad range of uses, including mixed-use development, with mandatory affordable housing requirements.¹ Nonresidential projects with heights up to 240 feet and residential projects with heights up to 440 feet are permitted. Nonresidential projects are permitted with a Floor Area Ratio up to 8 under specified circumstances.

¹ Those [requirements](#) currently are equal to \$12.19 a square foot for this zone.

The petitioners request that the City vacate the 2,698 square foot alley, which runs north-south through the block to facilitate the project. The proposed development, called the 1305 Stewart Tower, would include a life science research tower with fifteen stories above grade and four stories of parking below grade, with a total building height of 235 feet. A total of 305,000 gross square feet of development would be located above grade. A publicly accessible open space would be located at the corner of Denny Way and Stewart Street.

The primary pedestrian entrance to the building would be located on Stewart Street. A single entry and exit to the underground parking and loading would be accessed from Eastlake Avenue E, on the east side of the block. A bicycle storage facility would be located along the Eastlake Avenue E frontage.

Preliminary public benefits proposed by the petitioners would include:

- Conversion of lower Denny Way to a curbsless street with restricted vehicular access and streetscape improvements;
- Improvements to the pedestrian crossing at lower Denny Way, east of Stewart Street;
- Public art on the north side of the Denny Way overpass and the exterior of the building;
- Streetscape improvements along Eastlake Avenue E; and
- Pedestrian wayfinding signage.

Street Vacation Policies

In 2018, the City Council updated its Street Vacation Policies to provide greater clarity for petitioners, members of the public, and decision-makers in proposing and reviewing street vacation petitions. The policies identify two related but independent questions that the Council considers in reviewing a street vacation petition: (1) are the “public trust functions” of the right-of-way maintained? and (2) will the public receive a benefit from the vacation sufficient to offset what the public is losing through the vacation?

Public trust functions are the uses of right-of-way. The policies describe the public trust function review as follows:

Streets are dedicated in perpetuity for use by the public for travel, transportation of goods, and locating utilities. The dedication carries with it public rights to circulation, access, utilities, light, air, open space, views, free speech, and assembly, and contributes significantly to the form and function of the city. The primary concern of the City in vacation decisions is to safeguard the public’s present and future needs and to act in the public’s best interest. (p. 7)

The policies provide guidance that is particularly relevant to the proposed vacation. The petitioner should address these policies as it proceeds through the review process:

Vacations of alleys:

While the primary purpose of streets is circulation, the primary purpose of alleys is to provide access to individual properties. Alleys provide space for loading, vehicular access to abutting properties, and space for utility functions such as water, sewer, solid waste, telecommunications, and electricity. In general, alleys in residential, commercial, and mixed-use zones will be retained. Alleys shall be retained for their primary purposes and other public purposes and benefits. (p. 9)

In general, streets and alleys in commercial, mixed-use, and downtown areas will be preserved to facilitate moving goods and people and maintain access to property that is separate from pedestrian routes. In general, these rights-of-way will be retained unless it can be demonstrated that the vacation meets another important public purpose without jeopardizing the area's functioning and its compatibility with surrounding areas. A vacation must preserve access to off-street loading and parking areas and the continuity of street fronts, particularly in areas with pedestrian activity. (p. 16)

Public Benefits:

A vacation shall include a commitment to provide public benefits. The concept of providing a public benefit is derived from the public nature of streets. Streets, whether improved or unimproved, provide important benefits to the public. Among the various benefits are preserving the street grid that provides for consistency in the development pattern and influences the scale and orientation of buildings. Streets provide for breathing space, open space and views, natural drainage, and wildlife corridors. These benefits are in addition to the public functions provided by streets discussed in earlier sections of these policies, including moving people and goods in vehicles, on foot, or by bicycle; and providing for current and future utility services, and for street trees and other amenities. (p. 22)

The public benefit analysis should balance what the public loses through the vacation with what the public will gain from the project. The comparison is intended to be an element of evaluating a public benefit proposal. The public benefit should not merely be compensatory and should provide a benefit to the public. In particular, public benefits that address the needs of those members of the public most vulnerable to the negative impacts of development such as residents with low incomes, people experiencing homelessness, renters most at risk of displacement, immigrants and refugees, and communities of color should be considered by the petitioner. (p. 23)

Several factors will be considered in identifying whether a public benefit package is sufficient, including the:

- Zoning designation, that is, downtown, commercial, industrial, or residential;
- Street classification of the street to be vacated (arterial, residential, or alley);
- Traffic volumes on the street proposed to be vacated;
- Designation of the street in transportation modal plans and functions of the street in modal networks;
- Size of project in square feet;
- Size of the area to be vacated in square feet;
- Vacated area's contribution to the site's development potential, including the percentage increase of the project and additional square feet; and
- Cumulative impacts of vacations in the area.

The following factors are not public benefits, but may be considered when reviewing the public benefit package:

- Project compliance with City policies and goals, including the Comprehensive Plan;
- Proposals designed to improve race and social equity, improve access to opportunity, and reduce the threat of displacement by for example, providing quality jobs or education to communities with low access to opportunity, or increasing the supply of affordable housing beyond City requirements;
- Addressing the effects of the vacation on vulnerable low-income populations and communities of color;
- Providing affordable or special needs housing, job training, or other human services;
- The public nature of the project (library, governmental purposes, low-income housing);
- Ideas resulting from the early community engagement process;
- Neighborhood support or opposition;
- Broad-based community support or opposition;
- Support or opposition from non-governmental organizations, public development authorities, or other government entities;
- Agreements with non-governmental organizations or community-based organizations, such as labor-peace agreements, equitable development agreements, or community benefits agreements to provide benefits beyond those proposed for the street vacation;
- Protecting designated landmarks and other historic/community resources; and
- Protecting environmentally sensitive lands. (pp. 23-24)

Next Steps

The Seattle Design Commission, City departments, and other stakeholders are currently reviewing the street vacation petition. Once their review is complete, the Director of the Seattle Department of Transportation will send a recommendation to Council. The Council will be required to hold a public hearing on the petition prior to action on the petition.

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst