## BEFORE THE HEARING EXAMINER FOR THE CITY OF SEATTLE

In Re: Appeal by

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ESCALA OWNERS ASSOCIATION

Of Decisions Re Land Use Application for 1933 5<sup>th</sup> Avenue, Project 3019699 Hearing Examiner File: MUP-20-012 (W)

RESPONDENTS CITY OF SEATTLE AND APPLICANT'S JOINT STATEMENT OF JURISDICTION

# I. INTRODUCTION

This is an appeal of a Revised Master Use Permit ("Revised MUP") for a 48-story building in Seattle's Belltown neighborhood ("Project") and is the second Hearing Examiner appeal filed by Escala Owners Association ("Appellant") on this Project. The Hearing Examiner requested that the parties provide a statement regarding their view of the Hearing Examiner's jurisdiction over the appeal. Under the Seattle Municipal Code, the Hearing Examiner has jurisdiction to hear and decide Appellant's New Claim 1(d) of its appeal. No other law precludes the Hearing Examiner from hearing this challenge to the City's new procedural environmental determination.

28 RESPONDENTS' JOINT STATEMENT OF JURISDICTION - 1

## MCCULLOUGH HILL LEARY, PS

Respondents City of Seattle ("City") and Jodi Patterson O'Hare ("Applicant") (collectively, "Respondents") respectfully request that the Hearing Examiner issue an Order determining that she has jurisdiction over New Claim 1(d) of this Appeal.

### II. STATEMENT OF FACTS

The relevant facts for the purpose of a jurisdictional determination are below. Additional facts regarding the project and the approval process are available in Respondent's Joint Motion for Partial Dismissal, filed concurrently with this statement on jurisdiction.

The Project includes one 48-story structure containing 432 apartment units, 155 hotel rooms, retail and restaurant space, and below-grade parking for 239 vehicles. The City issued a SEPA determination of significance and notice of adoption of the 2005 FEIS for the Seattle Downtown Height and Density Changes ("Downtown FEIS"), as supplemented by the FEIS Addendum dated July 3, 2017 ("EIS Addendum") for the Project.

On October 26, 2017, the City issued a MUP for the Project, which included (1) design review approval under SMC Chapter 23.41; (2) the City's procedural compliance with SEPA, including the adoption of the Downtown FEIS for the Project and determination of EIS adequacy; and (3) imposition of conditions pursuant to the City's substantive SEPA authority.

On November 9, 2017, the Appellant appealed the MUP ("Prior Appeal"). After a fourday hearing, the Hearing Examiner issued its Findings and Decision on the matter and upheld the MUP Decision related to the Project's design review approval and the legal adequacy of the City's review of the Project's potential environmental impacts related to transportation, alley operations, height, bulk and scale, and land use compatibility elements. Declaration of Katie Kendall ("Kendall Decl."), Exh. A. However, the Hearing Examiner found that the City erred

RESPONDENTS' JOINT STATEMENT OF JURISDICTION - 2 MCCULLOUGH HILL LEARY, PS

procedurally by failing to evaluate the impacts related to loss of light within the Escala residential units prior to the issuance of its environmental determination for the Project. The Hearing Examiner remanded the MUP to the Seattle Department of Construction and Inspections ("SDCI") for "purpose of evaluating the [Project's] impacts as they relate to the loss of light within Escala residential units." Exh. A, p. 21.

Both the Applicant and Escala appealed aspects of the Examiner's Decision under the Land Use Petition Act ("LUPA"). The cases were then consolidated. Escala moved to dismiss the consolidated LUPA appeal because, in their view, there was no final land use decision to appeal due to the Examiner's remand. The Court dismissed the consolidated LUPA appeal.

On remand, SDCI prepared the Second EIS Addendum on November 18, 2019. The Second EIS Addendum adds analysis and information about the Project's impacts as it relates to loss of light within private structures such as Escala's residential units. On April 23, 2020, SDCI issued its Revised MUP decision that approved the Project and documented its procedural compliance with SEPA, including adopting the Downtown FEIS for the Project as supplemented by the EIS Addendum and Second EIS Addendum, and making its determination of EIS adequacy.

Appellant has now appealed the Revised MUP Decision to the Hearing Examiner and raises claims regarding the City's analysis in the Second EIS Addendum and its environmental determination in the Revised MUP. Escala also filed a new LUPA appeal in King County Superior Court raising the same claims that are before the Examiner in this matter. The parties in the LUPA proceeding have asked the Court to stay the LUPA matter pending resolution of the appeal before the Hearing Examiner. This request is pending before the Court.

RESPONDENTS' JOINT STATEMENT OF JURISDICTION - 3

#### MCCULLOUGH HILL LEARY, PS

## **III. STATEMENT OF ISSUES**

The question before the Hearing Examiner is whether she has jurisdiction to hear the appeal of SDCI's Revised MUP decision.

#### **IV. AUTHORITY**

# A. The Code provides the Hearing Examiner with jurisdiction to hear and decide portions of the Appeal.

"The Hearing Examiner has jurisdiction to hear and decide appeals and other contested cases, make decisions on preliminary subdivisions, and make recommendations to the City Council only as authorized by law." Hearing Examiner Rules of Practice and Procedure ("HER"), Rule 2.03.

In this case, Appellant has appealed the City's new environmental determination, which adopted the Downtown FEIS, as supplemented by the EIS Addendum and the Second Addendum, and determined that the FEIS was adequate. SMC 23.76.022.C.6 requires the Hearing Examiner to entertain appeals regarding the City's determination of "adequacy of an EIS upon which the decision was made". Accordingly, the Hearing Examiner has jurisdiction over Appellant's New Claim 1(d), which challenges the City's determination of EIS adequacy.<sup>1</sup>

**B. SEPA** does not deprive the Hearing Examiner of jurisdiction in this matter.

Under the City's Code, the Hearing Examiner has jurisdiction over New Claim 1(d). Nothing in SEPA requires the Hearing Examiner to denounce that jurisdiction.

SEPA provides in RCW 43.21C.075(3)(a) that a City that chooses to implement an administrative SEPA appeal process, "[s]hall allow no more than one agency appeal proceeding

RESPONDENTS' JOINT STATEMENT OF JURISDICTION - 4 MCCULLOUGH HILL LEARY, PS

<sup>&</sup>lt;sup>1</sup> Appellant's appeal includes a number of claims upon which the Examiner does not have jurisdiction. Respondents have accordingly filed a separate joint motion to dismiss New Claims 1(a), 1(b), 1(c), 1(e), and 2.

on each procedural determination (the adequacy of a determination of

significance/nonsignificance or of a final environmental impact statement)."

The question before the Examiner is whether the Revised MUP Decision is the same procedural determination under SEPA. It is not—rather, it is an entirely new procedural determination and RCW 43.21C.075(3)(a) does not apply.

Here, the Hearing Examiner in 2018 remanded the City's SEPA determination because it did not consider sufficient information on impacts due to loss of light and the MUP decision was remanded to SDCI to review new analyses of impacts due to loss of light. Kendall Decl., Exh. A. In other words, SDCI was required to conduct new analysis that informs a new SEPA determination. Indeed, the Superior Court dismissed the previous LUPA appeal—at the request of Appellants--because there was no final land use decision to review until SDCI made a new SEPA determination that evaluated the proposal's impacts as they relate to loss of light within the Escala residential units.

As a result of the remand, SDCI prepared a Second EIS Addendum that evaluates the Project's impacts related to loss of light within the Escala. Upon review of this extensive analysis, SDCI issued a revised MUP decision that approved the project and made a new SEPA determination that adopted the Downtown EIS and the two EIS addenda for the Project, and determined that the EIS, as supplemented by the addenda, was adequate. Kendall Decl., Exh. D (Revised MUP decision). Accordingly, the state law limitation to hold no more than one agency appeal hearing does not apply here and the Hearing Examiner has jurisdiction to hear and decide New Claim 1(d) of the Appeal, as granted by the City Code.

## RESPONDENTS' JOINT STATEMENT OF JURISDICTION - 5

MCCULLOUGH HILL LEARY, PS

1	V. CONCLUSION
2	The Respondents respectfully request that the Hearing Examiner issue an Order
3	determining that the Examiner has jurisdiction over New Claim 1(d) of the Appellant's Appeal.
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5	DATED this 22 <sup>nd</sup> day of June, 2020.
6	s/John C. McCullough, WSBA #12740 s/Ian S. Morrison, WSBA #45384
7	s/Katie J. Kendall, WSBA #48164
8	Attorneys for Jodi Patterson O'Hare, Applicant McCULLOUGH HILL LEARY, PS
9	701 Fifth Avenue, Suite 6600 Seattle, WA 98104
0	Tel: 206-812-3388
1	Fax: 206-812-3398 Email: jack@mhseattle.com
2	Email: <u>imorrison@mhseattle.com</u> Email: kkendall@mhseattle.com
3	
4	s/ Elizabeth E. Anderson, WSBA #34036 Assistant City Attorney
5	Seattle City Attorney's Office 701 Fifth Ave., Suite 2050
6	Seattle, WA 98104-7095
7	Ph: (206) 684-8200 Fax: (206) 684-8284
8	Email: <u>liza.anderson@seattle.gov</u>
9	Attorneys for Respondent Seattle Department of Construction and Inspections
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8	DESDONDENTS' JOINT STATEMENT MCCULLOUGH HILL LEARY, PS
0	RESPONDENTS' JOINT STATEMENT INCCOLLOUGH HILL LEAKY, IS   OF JURISDICTION - 6 701 Fifth Avenue, Suite 6600   Seattle, WA 98104 206.812.3388   206.812.3389 fax 206.812.3389 fax