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| 7 8      | BEFORE THE HEARING EXAMINER OF THE CITY OF SEATTLE                                         |                                                                               |  |  |  |
| 9        | In the Matter of the Appeal of                                                             | Hearing Examiner File: MUP 17-015                                             |  |  |  |
| 10       | PROTECT VOLUNTEER PARK.,                                                                   | Department Reference: 3024753                                                 |  |  |  |
| 11       |                                                                                            | APPELLANT'S REPLY IN SUPPORT                                                  |  |  |  |
| 12       | of a Determination of Non-Significance<br>Certificate of Approval issued by the            | OF MOTION FOR SUMMARY                                                         |  |  |  |
| 13<br>14 | Department of Construction and Inspections for Construction in Volunteer                   | JUDGMENT                                                                      |  |  |  |
| 15       | Park                                                                                       |                                                                               |  |  |  |
| 16       | I. AN EIS IS NECESSAR'                                                                     |                                                                               |  |  |  |
| 17       | FUNDAMENTAL PURPOS                                                                         |                                                                               |  |  |  |
| 18       |                                                                                            | ch is simply to ensure via a 'detailed e of environmental information so that |  |  |  |
| 19       |                                                                                            | be given proper consideration during ed whenever an incorrect 'threshold      |  |  |  |
| 20       | determination' is made.                                                                    |                                                                               |  |  |  |
| 21       | Norway Hill Pres. & Prot. Ass'n v. King Cty. Council, 87 Wn.2d 267, 273, 552 P.2d 674, 678 |                                                                               |  |  |  |
| 22       | (1976).                                                                                    |                                                                               |  |  |  |
| 23       | The applicant and Department still ha                                                      | eve made no attempt to address the fundamental flaw in                        |  |  |  |
| 24       |                                                                                            |                                                                               |  |  |  |
| 25       |                                                                                            | the environmental impacts <i>before</i> those decisions are                   |  |  |  |
| 26       | accipion makers are runy informed about t                                                  | ne environmental impacts before those decisions are                           |  |  |  |

made. The LPB, the City Council, and the Parks Department all have important decisions to make regarding this project. SEPA demands that important decisions like those which may result in significant adverse impacts be informed by the analysis in an environmental impact statement. The applicant and the City would deprive the LPB, the City Council, and the Parks Department of that analysis and have each of those bodies make their decisions without the "detailed statement" that SEPA requires. The respondents' contentions are inconsistent with SEPA's most basic purpose and should be rejected.

## II. THE RESPONDENTS CONTINUE TO IGNORE THE DISTINCTION BETWEEN SEPA'S SUBSTANTIVE AUTHORITY AND PROCEDURAL DUTIES

The respondents continue to conflate SEPA's procedural and substantive elements. The two are distinct. See, e.g., Polygon Corp. v. City of Seattle, 90 Wn.2d 59, 63 - 64 (1978). This distinction is reflected in Ecology's and the City's SEPA rules. Ecology's rules detail the procedural requirements in chapter 197-11 WAC, Part Three and Part Four (WAC 197-11-300 through WAC 197-11-460). The exercise of substantive authority is addressed separately in Part Seven (WAC 197-11-650 through WAC 197-11-660). Likewise, the City code addresses procedural compliance primarily in chapter 25.05 SMC, subchapters III and IV (SMC 25.05.300 through SMC 25.05.460). The city's exercise of its substantive authority is addressed separately in Subchapter VII (SMC 25.05.650 through SMC 25.05.675).

Notably, the City code explains that a decisionmaker "may" deny or condition a proposal to "reduce" or eliminate its impacts. SMC 25.05.665.A.2. But the policies do not command the decisionmaker to exercise its substantive authority to assure that impacts are reduced below the significance threshold. That language simply is not there and that concept is not included anywhere

in the code.

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Here, the applicant (and Department) assert, repeatedly, that the LPO process will constitute "adequate" mitigation. Whether mitigation is adequate relates to the City's substantive authority, to wit, whether the mitigation is "adequate" to address the City's substantive concerns. That exercise of substantive authority is distinct from whether the mitigation reduces impacts below the significance threshold, negating the procedural duty to prepare an EIS. As the applicant says, the city code "allows the City to exercise substantive SEPA authority based on its specific policies," Resp. at 4:23 (emphasis supplied), but stops short of asserting that the code commands the City to use that authority in a manner that eliminates all significant impacts. <sup>1</sup>

The test for issuing a DNS (or an MDNS) is not whether mitigation is "adequate." The test is whether the impacts (after mitigation is imposed) are "significant."

The applicant never asserts that the imposition of "adequate" mitigation will result in impacts that are less than "significant." The City has not made that assertion either. In the absence of such an assertion (let alone proof), appellant's summary judgment motion should be granted.

In its response, the applicant again concedes that mitigation resulting from the LPO process will not necessarily reduce impacts below the significance threshold. Indeed, the applicant concedes that that process will not necessarily result in any mitigation at all. Resp. at 5 (referring to mitigation the Landmarks Board "may (or may not)" impose. Instead, the applicant asserts that the process itself constitutes the mitigation. *See* Applicant Response at 5. "The mitigation is <u>not</u> the substantive conditions the Landmarks Board may (or may not) impose in a Certificate of Approval. It is the approval itself . . . " Resp. at 5 (emphasis in original).

<sup>&</sup>lt;sup>1</sup> If, as the respondents contend, the City's mitigation polices automatically assure the elimination of all significant impacts, , there never would be need to prepare an EIS.

This metaphysical process "mitigation" is irrelevant to the question at hand. The issue is whether the project will have significant adverse impacts to the designated historic landmarks. The Director concluded that "potential significant adverse impacts have been identified with regard to the proposed alterations to the designated features of the landmark." Decision at 8. Those "alterations" are physical, not metaphysical. The LPO process itself (as opposed to mitigation measures generated by that process) will not change (mitigate) any of those planned physical alterations. The process "may (or may not)" result in mitigation conditions which reduce the impacts, but the process itself provides no relief. The applicant's claim that the process – without regard to any mitigation measures that may (or may not) emanate from the process – is itself mitigation sufficient to reduce impacts below the significance threshold should be rejected.<sup>2</sup>

The applicant's efforts to conflate SEPA's substantive and procedural elements is evident throughout its brief. For instance, at the top of page 5, it quotes SMC 25.05.675.H.2.b which states that for historic landmarks, "compliance with the Landmarks Preservation Ordinance shall constitute compliance with the [City's substantive SEPA policies]." Such statements reflect the applicant's failure to acknowledge that the City's exercise of its substantive SEPA authority is distinct from the procedural mandates imposed on the City to prepare an EIS when significant adverse impacts are forecast. This error pervades the applicant's entire analysis and renders it wholly unpersuasive.

The respondents reference the code's presumption that mitigation developed through the LPO process is deemed "adequate." Adequate for what? The presumption is in the code section addressing the exercise of the City's substantive authority. The presumption stated is that the

If the significant impacts at issue were psychological harm suffered by Seattle citizens by the failure of the City to utilize a process that addressed impacts to the historic resources, then perhaps the process itself – without more – could be viewed as mitigation of *those* psychological impacts. But, of course, this case is not about psychological impacts associated with the lack of an adequate process. The contention that the process itself, without more, is adequate mitigation for the physical impacts to the landmarks is wholly misplaced.

mitigation developed through the LPO process is an adequate exercise of the City's substantive authority. But that is different than a presumption that the mitigation will reduce impacts to a non-significant level. Neither respondent can bring themselves to make such a statement, because such a statement is not supported by the words or structure of the Code – and that reticence is underscored by the applicant's admission that the LPO process may "or may not" result in any mitigation at all. Petitioner's motion should be granted.

## III. THE APPLICANT'S IRRELEVANT DIGRESSIONS SHOULD BE IGNORED

The applicant's brief includes three parts which are wholly irrelevant. First, the applicant goes on at length describing the LPO process currently underway. Those details add nothing to the discussion. The issue is whether the City can be assured that the LPO process will result in mitigation that will reduce impacts below the threshold of significance. Nothing in the lengthy description of the ongoing LPO process for this project addresses that issue. No matter how elaborate the process, the respondents are not claiming that the process will necessarily reduce impacts below the significance threshold. Without such a claim (and proof of such a claim), the respondents' arguments fail.

Second, the applicant cites cases about court's deferring to agency SEPA decisions. Resp. at 5. Those cases are irrelevant. They concern situations where factual determinations were in dispute. In *Anderson v. Pierce County*, 86 Wn. App. 290 (1997), the county had imposed 54 mitigation conditions to eliminate all significant adverse impacts. When pressed, the challenger could not cite a single impact that remained significant after the mitigation was applied. *Id.* at 305. The challenger's "skepticism about the effectiveness of some mitigation measures is speculative at best and does not provide a basis for holding the MDNS to be 'clearly erroneous.'" *Id*.

Likewise, in *Moss v. City of Bellingham*, 109 Wn. App. 6, 23 - 24 (2001), the court found: "Notably, although appellants complain generally that the impacts were not adequately analyzed, they have failed to cite any facts or evidence in the record demonstrating that the project as mitigated will cause significant environmental impacts warranting an EIS."

Thus, in both cases, deference was employed in resolving factual disputes regarding the magnitude of the impacts that remained after mitigation was imposed. But our motion does not raise a factual issue. Our motion presents an issue of law: Where the only mitigation imposed to address an acknowledged significant impact to historic resources is a process, with no assurance that changes to the proposal will result, does reference to the process alone constitute mitigation sufficient to eliminate all significant impacts? We think the answer to that question must be in the negative.

Third, the applicant concludes its brief with an attack on an argument we did not make. The applicant claims that the Hearing Examiner lacks authority to review the City's process for imposing substantive mitigation. We never raised that issue. The applicant's discussion of that issue is irrelevant.<sup>3</sup>

## IV. CONCLUSION

For the foregoing reasons and the reasons set forth in our prior briefs, summary judgment should be granted and this matter remanded to the Department for preparation of an EIS.

The applicant also cites a Hearing Examiner decision in the *Alliance for a Livable Denny Triangle* case (MUP 14-016). In that partial summary judgment ruling, the Examiner was reviewing the adequacy of an environmental impact statement that had been prepared. There is no environmental impact statement under review in this case. The decision has no relevance for that reason alone.

In addition, in that case, the EIS was challenged because it failed to address the project's compliance with affordable housing requirements in Chapter 23.49 SMC. The decision concluded that a brief discussion in the EIS of a monetary contribution to low income housing under SMC 23.49.012 was sufficient and that no further analysis in the EIS was required under SEPA. Order on Motions to Dismiss and for Partial Summary Judgment at 7. That conclusion has nothing to do with the issues presented here.

| 1  | Dated this 19 <sup>th</sup> day of May, 2017. |       |                                  |   |
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| 4  |                                               |       | 1.1100                           |   |
| 5  |                                               | By:   | AMM/1/2 L                        |   |
| 6  | 8                                             | Dy.   | David A. Bricklin, WSBA No. 7583 |   |
| 7  |                                               |       | Attorney for Appellant           |   |
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