

EXHIBIT I

CITY OF SEATTLE

**ANALYSIS AND DECISION OF THE DIRECTOR
OF THE DEPARTMENT OF PLANNING AND DEVELOPMENT**

**SEPA Threshold Determination
for the
Affordable Housing Mitigation Program and Incentive Zoning Update; and
Comprehensive Plan Amendments Regarding Affordable Housing**

Project Sponsor: City of Seattle Executive and City Council

Location of Proposal: The amendments pertain citywide

BACKGROUND

In September 2014, Mayor Murray and the City Council adopted Resolution 31546 calling for the creation of a Housing Affordability and Livability Agenda (HALA) and convening a HALA Advisory Committee. The purpose of HALA is to chart a course for the next 10 years for ensuring the development and preservation of housing that addresses the wide diversity of housing needs of people across the income spectrum. The HALA Advisory Committee is anticipated to deliver to City Council and the Mayor a set of housing strategy recommendations in June 2015.

In October 2014, Council voted 7-2 to approve Resolution 31551, which requests the Executive to produce legislation to implement an “affordable housing linkage fee program” (one of the affordable housing mitigation policy options under discussion by the HALA Advisory Committee). The Affordable Housing Mitigation Program addressed by this report encompasses the “linkage fee” concept, but because Resolution 31551 was non-binding and there is the potential to change various parameters contained in the resolution, the report for the proposal uses the broader title Affordable Housing Mitigation Program.

Discussions about the Affordable Housing Mitigation Program and voluntary incentive zoning have largely been informed by three reports produced by consultants hired by City Council. Two of the reports were authored by David Rosen & Associates: (1) *Seattle Affordable Housing Incentive Program Economic Analysis* (October 2014); and (2) *Seattle Affordable Housing Nexus Study and Economic Impact Analysis* (May 2015). The third report, authored by the Cornerstone Partnership, *Policy Options for Refining Seattle’s Incentive Zoning Program* (July 2014), explores potential options for updating Seattle’s incentive zoning for affordable housing, including a linkage fee.

Other related efforts have included:

- Background Report for Affordable Housing Mitigation Program and Incentive Zoning Update by City of Seattle

- Seattle City Council – Workforce and Affordable Housing Program Review: Existing Conditions
- Seattle Incentive Zoning Analysis of Data related to the Historical Production under Seattle’s Incentive Zoning program, Cornerstone Partnership, February 4, 2014
- Recommendations for implementation of an Affordable Housing Linkage Fee, September 12, 2014, memo by Cornerstone Partnership
- Seattle Affordable Housing Nexus Study and Economic Impact Analysis for Low- and Mid-Rise Residential, Mixed-Use and Non-Residential Prototypes, May 18, 2015, David Paul Rosen & Associates
- Seattle Workforce Housing Programs and Policies Related to Meeting Workforce Housing Needs in Seattle: A Survey and Analysis of Best Practices in Comparative Jurisdictions, May 2014, OTAK
- Apartment Vacancy Report, 20+ unit buildings, 14-market areas within Seattle, Spring 2015, Dupre and Scott Apartment Advisors
- Map of proposed high, medium, and low cost areas, October 2014, Cornerstone Partnership
- Jobs Housing Nexus Analysis, Office and Hotel Buildings, Downtown Seattle Linkage Program, March 2001, Keyser Marston Associates, Inc.
- Residential Nexus Analysis, City of Seattle, July 2005, Keyser Marston Associates, Inc.

DESCRIPTION OF PROPOSAL

This proposal would implement an affordable housing mitigation program requiring new development to provide affordable housing in proportion to the gross floor area of their project. The proposal also includes changes to the City’s current incentive zoning provisions. The City’s current affordable housing incentive zoning program enables developers to achieve extra floor area beyond a base FAR or height by providing public benefits such as affordable housing. The program is voluntary in that a developer would not need to provide any benefits if no extra floor area is sought. By contrast, the proposed affordable housing mitigation program would require developers to provide affordable housing (either through performance or payment of a fee) regardless of whether an incentive was used, in order to mitigate (to some extent) the impacts of new development on the need for affordable housing. While the incentive zoning requirement would be calculated based on the amount of extra floor area achieved, the affordable housing mitigation program requirement would be calculated based on the total floor area of the project regardless of its size. These programs could be structured such that the requirements are additive or such that compliance with one program could be counted toward compliance with the other.

Key aspects of the affordable housing mitigation program include:

- **AMI target:** Housing provided through the performance option would have to be affordable to households making, at a maximum, 80% of Area Median Income (AMI) for rental and 100% of AMI for ownership; however, these targets could be reduced to as low as 60% of AMI for units with one or more bedroom and 40% of AMI for smaller units such as those under a specific size threshold.

- **Performance or payment requirement.** The proposal would require provision of affordable housing by means of performance or payment, either alone or as alternatives or in some combination:
 - **On-site or off-site performance requirement:** The proposal could require affordable housing equivalent to as much as:
 - For residential, 10% of total housing units; or
 - For non-residential, net rentable square feet of affordable housing equal to 10% of total gross floor area of non-residential area.
 - **Payment requirement:** The proposal could require payment into a fund to pay for affordable housing; this requirement could be as high as \$28 per gross square foot.
- **Uses impacted:** The proposal could apply to all uses except manufacturing uses in manufacturing and industrial centers; different uses could be subject to different production or payment requirements.
- **Geographic variation:** Different areas could be subject to different performance or payment requirements.
- **Waiver/Reduction:** The proposal could provide the ability to waive or reduce a mitigation requirement through an administrative or appeal process.

Decisions made on the AMI targets and geographic variation of the affordable housing mitigation program could also be applied to the existing incentive zoning program.

Policies regarding administrative process, agreements, limits on public subsidy, location of affordable housing, timing of completion, comparability of affordable housing units to others in the development, and long-term monitoring and associated fees could in some cases be consistent for incentive zoning and affordable housing mitigation programs. Any performance or payment required through this program would be counted such that the requirements are either additive or such that compliance with one program counts toward compliance with the other.

The following changes to the existing incentive zoning program could be made, some of which could also impact an affordable housing mitigation program.

- Modify or eliminate the performance option for ownership housing developments;
- Modify or eliminate the off-site performance option;
- Require a minimum number of affordable housing units in order to use the performance option;
- Prohibit the same affordable housing units from satisfying both the Multifamily Tax Exemption program (MFTE) and the requirements of incentive zoning and/or the affordable housing mitigation program;
- Consolidate policies on use of payments for affordable housing in Office of Housing's Housing Funding Policies;

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- Allow affordable housing to be distributed throughout first 85 feet of height for highrise buildings;
- Allow a payment option in every incentive zoning area;
- Create uniform 65%-35% split between housing and non-housing benefits citywide for areas with heights greater than 85 feet;
- Adopt incentive zoning with quasi-judicial rezones;
- Phase out option to purchase Housing TDR as an alternative to affordable housing performance or payment for incentive zoning;
- Simplify the payment option for residential projects in Downtown Mixed Commercial zones to be consistent with other downtown highrise zones;
- Remove additional affordable housing requirements for project that include the demolition of certain multi-family units formerly occupied by tenants eligible for assistance per the Tenant Relocation Assistance Ordinance;
- Eliminate alternative performance option for 50% AMI units;
- Consolidate and clarify land use code provisions.

Additionally, this proposal would make certain changes to the Comprehensive Plan. Generally, the proposal for comprehensive plan changes is to:

- Clarify the City's goals and policies related to affordable housing to strengthen the City's policy direction and provide further policy support for addressing the need for affordable housing.
- Broaden the range of affordable housing strategies the City should consider.
- Make clear that both incentive-based and non-incentive-based strategies should be considered.
- Make clear that the City may establish a program whereby impacts on affordable housing that are generated by total project area, not just area above a base height or density, may be required to be at least partially mitigated.

Specific proposed amendatory language is attached to the Background Report.

The proposed changes to the Comprehensive Plan support the Affordable Housing Mitigation Program and incentive zoning update portions of this proposal as well as other potential future legislative strategies, and also eliminate some provisions that might be regarded as inconsistent with the Affordable Housing Mitigation Program.

Examples of these recommended policy changes include but are not limited to:

- Adding a policy HG2.5 in the Housing Element that says, "Seek to reduce involuntary

housing cost burden for households by supporting the creation and preservation of affordable housing.”

- Adding a policy HG8.5 in the Housing Element that says, “Encourage a shared responsibility among the private and public sectors for addressing affordable housing needs”
- Amending policy H8 to broaden from a recommendation only of “Consider providing incentives...” to “Consider using programs that require or encourage...” affordable housing.
- Adding to discussion in the Housing Element on affordable housing, by indicating the critical nature of low-income-affordable housing for giving “access to the diverse opportunities” in the city, and reducing existing disparities, to support “a host of positive social and economic outcomes in areas such as education, employment, and physical and mental health, especially for children and families” as well as “protecting our environment and sustaining a strong economy...” Other discussion added notes that “Seattle’s low-income households have disproportionately high housing needs” and that “housing costs unduly affect people of color” and that the consequences of past housing policies have “resulted in chronic inequity and racial disparities” and underscoring that “addressing these inequities and protecting marginalized populations is a primary focus of the Housing Element.”
- Adding a Housing policy H29.4 that says, “Consider requiring that new development provide housing affordable to low-income households. Consider adopting such an approach either with or without rezones or changes in development standards that increase development capacity.”
- Adding a Housing policy H29.6 that says, “Consider implementing programs to preserve or enhance currently affordable housing in order to retain opportunities for low-income households to live in Seattle.”
- Edits to DT-G10 that amend references relating to bonusing and transfer of development rights, and add language that allows for “non-incentive-based strategies” as well as incentive-based strategies.
- Edits to DT-LUP8 delete explanatory language that establishes “base” and maximum density levels for Downtown, where base density levels are indicated as representing a level of development the City would accommodate without requiring additional mitigation measures.
- Edits to DT-LUP10 that clarify ability to pursue voluntary agreements to mitigate the impact of development, delete text about earning floor area increases above a base density, and encourage consideration of “adopting non-mitigation-based” strategies for the provision of low-income housing.
- Edits to several neighborhood-specific policies that refer to affordable housing, including for Fremont, North Beacon Hill, North Rainier, Rainier Beach, and South Lake Union. The latter area policy edits note the possibility of “requirements” for provision of housing for people across a range of incomes, not just “incentives.”

ANALYSIS - OVERVIEW

The following describes the analysis conducted to determine if the proposal is likely to have a probable significant adverse environmental impact. This threshold determination is based on:

- the proposal, as described above;
- the information contained in the SEPA checklist;
- additional information, such as analyses prepared by or for City staff; and
- the experience of DPD analysts in reviewing non-project actions.

It should be noted that there is a separate concurrent proposal for the 2015 Update of the Comprehensive Plan. This update contains comprehensive plan amendments intended to satisfy State periodic update requirements (including changes to the housing element and housing appendix) as well as various other amendments. An additional separate proposal may also be considered in 2015 that contains other Comprehensive Plan amendments -- generally related to neighborhood-specific policies in the University District -- which have been evaluated in the University District Urban Design EIS.

The Comprehensive Plan amendments contained in the proposal covered by this determination are not necessary as part of the periodic comprehensive plan update under the Growth Management Act, nor does this proposal depend on the comprehensive plan amendments contained in the 2015 update or the U. District comprehensive plan amendments.

ELEMENTS OF THE ENVIRONMENT

Adoption of the possible amendments would result in no immediate adverse short-term impacts because the adoption would be a non-project action. The discussion below generally evaluates the potential for long-term adverse impacts from net differences in future land use patterns that might be possible as a consequence of the proposed amendments. This is a programmatic level analysis oriented to addressing matters pertinent to SEPA elements and concepts. Conclusions are presented in a relatively high-level summary fashion, without an intent to exhaustively interpret the potential environmental impact ramifications (or lack thereof) of each and every change-item included in the proposal.

BUILT ENVIRONMENT

Land Use, Height/Bulk/Scale, Relationship to Plans and Policies

The proposal includes numerous edits to Land Use Code regulations that include development standards, for the purposes described in the "description of proposal" above and in the environmental checklist. These changes are intended to accommodate the accomplishment of an affordable housing mitigation program, and updates to incentive zoning options and related details. The proposal does not include changes to maximum height limits or maximum density

limits in the Land Use Code. While the set of changes inevitably would have a bearing on the technical functioning of these codes, standards and policies, the proposal is not likely to result in changes that would substantially increase development capacities, or development envelopes, or otherwise expand development size capabilities in any given zone or part of the city. It is also not likely that changes would substantially diminish total development capabilities in ways that might be construed as negatively affecting future development and its relationship to broad land use patterns in the city.

This does not rule out the possibility that through the amendatory changes there might be alterations that have some effects of marginally changing total development capabilities. However, there is not an intent to generate different amounts or types of growth capabilities on any given property in the city. Nor does the proposal intend to substantially change in any adverse manner the range of land uses permitted to be built on any given property across the city. Nor does the proposal intend to alter development capabilities in terms of substantially changing the maximum height limits of development on any given property across the city.

The observations in the two preceding paragraphs assist in drawing a conclusion that on a property by property basis, there is a low likelihood of the proposal inducing future development and land use patterns in ways that might generate significant adverse land use pattern, compatibility, or height/bulk/scale impacts. While there could be a *de minimus* potential that differences in the proposal's regulatory schemes exist in ways that could alter aspects of future building designs, there appears to be little or no potential for such differences to generate land use impacts that are significant and adverse for any given property. This means that density-related impacts (as contemplated under Height, Bulk, and Scale in the City's SEPA policies) and land use compatibility-related impacts (as contemplated under Land Use in the City's SEPA policies) are not anticipated to affect the built environment in a manner that is significantly adverse.

The conclusion above does not necessarily apply to the question of whether the proposal's details could lead to differences in broad distribution patterns of future growth within the city, or even in the gross distribution of total growth amounts between Seattle and other places in the region. This question relates less to whether localized compatibility or density impacts might arise, and more to whether significant adverse consequences could arise from altered growth distributions between Seattle neighborhoods or among other jurisdictions.

Details of the affordable housing mitigation program portion of the proposal include differences in fee and performance levels, and also in how they might be differently charged for development in different geographic portions of the city, and charged to different categories of land uses. Details of the incentive zoning update portions of the proposal would amend a variety of aspects of how the range of programs and their specific details are applied to future development, with some policy changes affecting Downtown zone environments differently in terms of levels of change in policy and/or regulatory approach. Several of the incentive-zoning proposal items are oriented to simplifying and bringing incentive zoning treatments applicable to different parts of the city into greater alignment or consistency with one another. This includes modifying how and when in certain cases performance or payment options are possible.

This SEPA analysis cannot definitively rule out the possibility that the affordable housing mitigation program proposal could influence future development patterns both within the city,

and potentially in the distributions of growth between Seattle and other jurisdictions. This could vary in its degree depending on the manner in which fee or performance requirements are applied to properties, and the related effects such requirements could have on future choices made by prospective developers. There could be a range in magnitude of possible effects, from a minimal degree of change in development patterns to a more noticeable degree of change where certain places may be more advantageously disposed toward growth. For example, incremental added requirements conceivably could lead to more frequent favoring of development choices in areas where higher levels of financial return are most likely. The likelihood of the proposal's actual future influence on future development decisions could thus relate to what level fee/performance requirements are set at, and/or to what subset of land uses the requirement is applied to, and/or geographic differences in the levels of the requirements. It is also possible that such fee choices and other details could be calibrated in ways that end up limiting potential effects to levels that would have minimal effect on development choices.

The next logical question to interpret is whether the proposal's regulatory or policy details would generate changes in future growth patterns, or land use patterns, that should be considered significant or adverse. Probable added costs of future development are stipulated by the materials that explain the proposal. However, that alone does not automatically dictate a conclusion that future developer decisions would be caused to more frequently "go elsewhere" with development, or that by "going elsewhere" an adverse or significant adverse impact would result, either in parts of Seattle differently affected by altered future growth patterns or in other jurisdictions outside of Seattle. It does not appear, based on an estimated magnitude level of 1-7% added costs due to fees, that the potential cost effects on development would be so heavy a burden as to cause systemic changes in how and why development decisions are made, that would overcome locational factors that are typically strong influences on real estate development choices. For example, it does not appear likely that a developer who perceived advantages of building an office building in Uptown/Lower Queen Anne would instead choose to pursue an office building in Columbia City instead based merely on differences in fee levels. Rather, factors relating to feasible rent levels, geographic proximity, size of available properties, zoning, and attractiveness of location to potential non-residential tenants are more likely to continue to outweigh the effects of marginal differences in costs to develop such a building. This is not to discount the fact that total development costs or marginal cost differences are important, but to suggest the comparative strength of other location-related and economic-related factors in development choices.

It also does not appear evident that by merely possibly influencing development choices that this analysis must logically conclude that pernicious, adverse changes in Seattle's or the region's future development patterns would occur.

It might be equally supportable to argue that the proposal could:

- encourage more growth to be consolidated in central urban core neighborhoods of Seattle due to their higher potential development profit potential from residential development;
or
- conversely, possibly create conditions encouraging growth to more frequently occur in low-fee areas before more often preferring high-fee areas.

Within the context of Seattle's economy and feasible levels of development potential around the city, either or both kinds of scenarios could occur over many years without clearly identifiable significant adverse land use pattern impacts likely to be apparent. Such differences might even be difficult to distinguish from other broad overall patterns of Seattle's growth that would occur regardless of this proposal.

In order to make conclusions of probable significance of adverse land use impacts from this proposal, there would need to be a clearer hypothesis of purported causes of adverse impact potential that might surmise why an incremental potential for different timing or different distributions of growth among Seattle neighborhoods, or among Seattle and other cities, would necessarily create substantial and significant adverse impacts on land use patterns. In the absence of understandable cause-effect relationships with tangible and substantial potential for adverse impacts, this analysis concludes that significant adverse land use and height/bulk/scale impacts are not likely to occur.

A similar conclusion pertains to the proposed reforms to incentive zoning program details. It is likely that details of the recommendations would change the terms and factors that might come into play in formulating development plans and associated choices by potential applicants. But, with the intent of increasing consistency of programs and regulations pertaining to housing, increasing the relative consistency of treatment of future development across many zones, and avoiding options that would create less desirable and more intensive regulatory and monitoring responsibilities, the incentive zoning recommendations do not appear to generate meaningful potential for significant adverse land use or height/bulk/scale impacts upon the environment.

Relationship to Plans and Policies

The existing Comprehensive Plan goal and policy language can be interpreted as setting the focus for affordable housing strategies to a great degree on an incentive-zoning based approach that also focuses on setting base-density and maximum-density levels. The "incentive" aspect of this approach has essentially offered an incentive or bonus ability to develop above a base density, at least partly in exchange for considerations relating to affordable housing – such as on-site provision of such housing or agreements that provide other funding for affordable housing purposes.

Given the specificity of existing language in several goals and policies, retaining it would constrain the City's ability to consider a variety of possible reforms or additional programs that would be aimed at differently supporting and accomplishing affordable housing production in Seattle. As pointed out by proposed additional discussion in the Housing Element, there are a number of social equity and economic considerations, including that inequitable consequences of past policies should be addressed through future efforts to reform affordable housing policies and practices. These factors contribute to the justification for reforms that would allow for consideration of a wider spectrum of strategies rather than remaining constrained within established policies and practices. From this perspective, not taking action to pursue such reforms would continue to have an effect of foreclosing future opportunities for steps that could be successful, therefore contributing to perpetuation of affordable housing challenges that also weigh disproportionately on people of color and low-income households.

The plan and policy recommendations of the proposal thus should be interpreted as enabling the possibility of a wider spectrum of possible affordable housing solutions to be identified and considered, leading to an increased potential for beneficial public policy outcomes. The affordable housing mitigation program and incentive zoning reform components of the proposal under review represent one course of possible actions that could be taken, subject to further discussion during the legislative process for the proposal. It would also be possible that other future strategies and reforms – subject to other future reviews – could be enabled by the recommended Comprehensive Plan changes.

A review of the proposed Comprehensive Plan amendments related to this proposal suggests that they would establish relevant comprehensive plan policy support that would provide for sufficient consistency of the affordable housing mitigation program and incentive zoning reform components with the Comprehensive Plan.

Housing

The proposal's elements, including an "affordable housing mitigation program" and adjustments to incentive program components, are intended to amend, update and expand upon existing programs to accomplish an increased production of affordable housing supply as a direct consequence. And, it does appear that the likely result would be to generate additional affordable housing and/or resources for affordable housing. Per City housing policy approaches that include requirements such as 50-year regulatory agreements, such housing is likely to remain at affordable levels (within the context of Seattle's economy and housing markets) for a long-term period.

At a somewhat broader level and in relation to the findings in the Land Use discussion earlier, while this analysis cannot rule out the possibility that differences in growth distribution would occur across Seattle or between Seattle and other jurisdictions, there is not a clearly identifiable pattern that would likely occur, nor would possible patterns necessarily generate pernicious adverse land use impacts upon the places that experience them. Arguable hypotheses are equivocal: the imposition of added fees might cause consolidation of growth where housing development profits are more likely to be higher; or, lower fees in some areas conceivably could influence some development choices to be made there rather than in higher fee areas. A probable magnitude of likely impact on growth and land use patterns is also difficult to interpret. In the absence of cause-effect relationships that might be better understood to lead to probable significant adverse land use impacts due to the proposal, a finding of significant adverse housing impacts upon existing lower-income/affordable housing resources cannot be made for any given part of the city. This analysis is unable to identify a likely scenario where the details of the proposal would lead to greater demolition or displacement of existing low-income housing resources.

Echoing conclusions made regarding incentive zoning reforms in the Land Use discussion above: It is likely that details of the recommendations would change the terms and factors that might come into play in formulating housing development plans and associated choices by potential applicants. But, with the intent of increasing consistency of programs and regulations pertaining to housing, increasing the relative consistency of treatment of future development across many

zones, and avoiding options that would create more intensive regulatory and monitoring responsibilities, the incentive zoning recommendations do not appear to generate meaningful potential for significant adverse housing impacts.

Historic Preservation

Future development potentially could affect older buildings through demolition activities. While some of these older non-landmarked buildings might be candidates for new landmarking approvals and related protections, the City would continue to follow policies and procedures for reviewing landmark eligibility and making related decisions, as needed, prior to demolition. Also, existing designated historic landmark structures would continue to be protected by current City codes. This means that regardless of any inferred potential for differences in development pressures or patterns in Seattle related to the proposal, there would not be a reasonable likelihood of increased significant adverse impact threats to historic or potential historic resources as a result of the proposal.

Regionally, if the proposal would result in shifts in broad development patterns toward more growth outside of Seattle, there would either be: no change in the potential for adverse effects on existing or potential historic resources within the city, given the protections afforded by existing policies and practices; or, if there was projected to be a potentially reduced pressure for redevelopment of affected properties in Seattle, the potential pressures to redevelop properties with older historic resources could be lessened.

In addition, there may be a lesser incidence of known or potentially historic buildings and resources outside of Seattle than inside it. This would relate to historic development patterns in the region that focused more on places within Seattle's city limits first (and older portions of places such as Tacoma and Everett), with development spreading outward after that, most notably after World War Two. Thus, a potential spreading of growth to be shared more with locations outside of Seattle might lead to a reduced potential for impacts upon historic landmarks and other potential historic resources.

Noise, Shadows on Open Spaces, Light/Glare, Public View Protection

Because there is no identified difference in the permissible dimensions of future building developments with the proposal, there is no meaningful potential for differential impacts that would be significantly adverse in relation to generation of noise, shadows on open spaces, light/glare, or effects on protected public views. Similarly, while it may be possible to speculate upon differences in distributions of future growth across the city that might have some relationship to fee/performance requirements or financial implications of the proposal, there are no grounds to make conclusions that any particular effect of the proposal might lead to increased potential for significant adverse noise, shadow, light/glare, or public view protection impacts. Also, noise regulations and other existing City policies and codes with respect to these other aspects of the environment would continue to apply within the city, in ways that result in reasonable protections against these kinds of adverse impacts.

Transportation, Parking

Because there is no identified difference in the permissible dimensions of future building developments with the proposal, there is no meaningful potential for differential transportation or parking impacts from future site-by-site development that would be significantly adverse at any given location. Similarly, the proposal under review does not include any provisions that would necessarily change parking required or possible to provide, and therefore no differential parking impact potential is identified.

While it may be possible to speculate upon potential differences in distributions of future growth across the city that might have some relationship to fee/performance requirements or financial implications of the proposal, there are no substantial grounds to make conclusions that any particular effect of the proposal might lead to increased or different potential for significant adverse impacts to transportation or parking within the City of Seattle. However, to discuss a hypothetical future possible condition of different distributions of growth within Seattle induced by the details of the proposal, a comparison to findings of the 2035 Comprehensive Plan Draft EIS suggest a low potential for significant adverse impacts due to the current proposal. In that EIS, differences among the four citywide growth alternatives studied, in future growth patterns within particular urban villages and urban centers, amounted to thousands of dwelling units and thousands of employees in differences through a projected 20 years of growth. Yet, the findings of volume-to-capacity measures throughout the city resulted in typical differences of 1% or 2% in most parts of town, and differences up to 4% in only a few places during the PM peak hour that is the maximum traffic period of the day. These volumes were measured and modeled for groupings of arterials (called screenlines) that represent major travel routes through different sectors of town.

By comparison, the inferred potential for possible differences in distribution of future growth related to this proposal under review would be of a magnitude likely to be considerably less significant in magnitude than what was evaluated in the Comprehensive Plan EIS, translating to a probable difference in peak hour volume patterns that would be considerably less than 1 percent from existing or future traffic conditions. Such changes could not be predicted to occur on a citywide basis, nor in any particular part of the city given a lack of specificity as to how different areas might experience different growth patterns. So, this interpretation of potential magnitude of differential impacts is characterized as only speculative and grossly approximated.

Potential regional traffic implications, if the proposal hypothetically would result in differential growth patterns with more occurring in other jurisdictions, are similarly difficult to predict. It can be speculated, however, that differences in growth patterns could generate added levels of automobile traffic trips and transit trips on major highway commuting routes. This would contribute incrementally to increased congestion and would increase "vehicle miles traveled" levels for people traveling longer distances for their home-work commutes, thus reducing overall regional transportation system efficiency. It would be difficult to further quantify such impacts, and given the hypothetical and non-established nature of the impact scenario, such impacts should be characterized as no more than speculative and minor potential differences in transportation impacts.

Public Services, Utilities

Because there is no identified difference in the permissible dimensions of future building developments with the proposal, there is no meaningful potential for differential impacts from future site-by-site development that would be significantly adverse to public services or utilities. In other words, there are no identified physical factors of development at any given location that are likely to be affected in such a manner as to cause effects upon the operations of the police, fire, or parks departments, Seattle Public Utilities, City Light, school district or other similar public service and utility providers.

While it may be possible to speculate about differences in distributions of future growth across the city that might have some relationship to fee/performance requirements or financial implications of the proposal, it is not likely that such effects of the proposal under review might lead to significant adverse public services or utility impacts. For the hypothetical future possible situation of different distributions of growth within Seattle induced by the details of the proposal, a comparison to findings of the 2035 Comprehensive Plan Draft EIS suggest a low potential for significant adverse impacts due to the current proposal. In that EIS, differences in future growth patterns within particular urban villages and urban centers, which amounted to thousands of dwelling units and thousands of employees differences through a projected 20 years of growth, yielded few findings of potential significant impacts in the ability to provide services and utilities to future growth. (Differences in growth amounts projected for areas outside of urban centers and urban villages were also evaluated in that EIS.) The EIS found that utility service providers are able to serve future citywide growth in a variety of possible patterns without significant adverse impacts to utility systems, and identified public service adverse impacts were largely related to a few existing shortcomings with respect to service providers' facilities or equipment (police, fire) that would be exacerbated depending on the levels of growth evaluated in the Comprehensive Plan EIS. Such places included South Lake Union and Bitter Lake fire station service areas. By comparison, the inferred potential for possible differences in distribution of future growth related to this proposal under review is of a magnitude likely to be minor that would not likely raise significant adverse impact concerns. In part, this also relates to the regulatory/code environment explained more in the next paragraph.

Regulations and other existing City policies and codes with respect to utility provision practices would continue to apply within the city, in ways that result in reasonable protections against adverse environmental impacts. For example, if a given development proposal would generate potentially harmful localized effects upon a utility system due to capacity concerns, or natural systems due to factors such as local surface drainage, it is the City's policy that the developer needs to provide sufficient improvements to remedy or protect against significant adverse damage to the utility systems or the natural drainage environment. This, along with other utility improvement requirements pertaining to new development, would help minimize the chances of significant adverse impacts relating to potential differences in future development patterns.

NATURAL ENVIRONMENT

Earth, Water (Drainage & Water Quality), Plants & Animals, Environmental Health

Because there is no identified difference in the permissible dimensions of future building developments with the proposal, there is no meaningful potential for differential impacts that would be significantly adverse in relation to earth, water, plants and animals, or environmental health elements. This means that on a site-by-site basis, there is not a likelihood that increased development densities or differing configurations would lead to increased potential for earth, water, plant/animal or environmental impacts in any given place.

While it may be possible to speculate upon potential differences in distributions of future growth across the city that might have some relationship to fee/performance requirements or financial implications of the proposal, there are no substantial grounds to make conclusions that any particular effect of the proposal might lead to increased or different potential for significant adverse impacts to earth, water, plants, animals, or environmental health elements within the City of Seattle. Also, the range of existing regulations that apply to potentially sensitive areas would continue to apply and provide protections to resources such as steep slopes, landslide hazards, stream corridors, wetlands, and other shoreline environments.

Regionally, if the proposal potentially resulted in shifts in broad development patterns toward more growth outside of Seattle, there would be only a minor-to-minimal potential that such development would significantly affect natural environment conditions in other jurisdictions. Such potential would relate to other jurisdictions' range of properties available to be redeveloped and the range of policy and regulatory protections that apply there. Namely, the likely presence of steep slope, drainage and wetland protections in those places, and range of other related zoning and development standards, would be able to protect against the possibility of significant adverse impacts on the natural environment.

Air Quality, Energy

Because there is no identified difference in the permissible dimensions of future building developments with the proposal, there is no meaningful potential for differential impacts that would be significantly adverse in relation to air quality or energy.

While it may be possible to speculate about differences in distributions of future growth across the city of Seattle that might have some relationship to fee/performance requirements or financial implications of the proposal, it is not likely that any particular effect of the proposal under review might lead to increased potential for significant adverse air quality or energy impacts. A comparison to findings of the 2035 Comprehensive Plan Draft EIS suggests a low potential for any significant adverse impacts in relation to the current proposal. In that EIS, differences in future growth patterns within particular urban villages and urban centers, which amounted to thousands of dwelling units and thousands of employees differences through a projected 20 years of growth, yielded few if any findings of potential significant impacts, and very little difference among the citywide growth alternatives in future transportation related emissions and greenhouse gas emissions. Future conditions would yield fewer such emissions than existing conditions due to improvements in automobile pollution controls and other practices. The current proposal

under review, by comparison, would have minimal potential to generate meaningful differences in potential adverse impacts relating to air quality or energy.

It can be speculated, however, that if there are differences in growth patterns that might distribute more future growth to locations outside of the City of Seattle, this could generate added levels of energy consumption for transportation to and from residential and employment destinations on a daily basis, and generation of additional air pollutant emissions along major commuting routes. To the extent that some future residents and employees would drive to jobs or residences from further distances, they would contribute to traffic congestion and associated total pollutant emissions and would consume more energy than growth patterns where more residents and jobs would instead occur within the City of Seattle. This could manifest as slight increases in future pollutant emissions as experienced within approximately 500 feet of major commuting routes such as I-5, but it would be difficult to further quantify these and they would likely be characterized as no more than minor-to-minimal differences in potential air quality impacts. Differences in energy consumption would also be similarly concluded to be minor adverse impacts in relation to the citywide and regional contexts.

DECISION

- [X] Determination of Non-Significance. This proposal has been determined to not have a significant adverse impact upon the environment. An EIS is not required under RCW 43.21C.030(2)(c).
- [] Determination of Significance. This proposal has or may have a significant adverse impact upon the environment. An EIS is required under RCW 43.21C.030(2)(c).

Signature: on file Date: June 8, 2015
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Department of Planning and Development