

CITY OF SEATTLE

**ANALYSIS AND DECISION OF THE DIRECTOR
OF THE OFFICE OF PLANNING AND COMMUNITY DEVELOPMENT**

**SEPA Threshold Determination
for
Stronger protections for industrial land uses in Industrial General (IG) zones**

Project Sponsor: City of Seattle

Location of Proposal: Land zoned Industrial General (IG1 or IG2)

SUMMARY OF PROPOSED ACTION

1. The proposal would amend the Land Use Code, SMC Title 23 to reduce the maximum size of use limits in the Industrial General 1 (IG1) and Industrial General 2 (IG2) zones as follows:

Land Use Code Category	Current Max. Size of Use Limit		Proposed Max. Size of Use Limit	
	IG 1	IG 2	IG1	IG2
Sales and Services, General	10,000 sq. ft.	25,000 sq. ft.	7,500 sq. ft.	10,000 sq. ft.
Sales and Services, Major Durables	10,000 sq. ft.	25,000 sq. ft.	10,000 sq. ft.	10,000 sq. ft.
Office	10,000 sq. ft.	25,000 sq. ft.	10,000 sq. ft.	15,000 sq. ft.

2. The current maximum floor area ratio in IG zones is 2.5. The proposed legislation would introduce a reduced Floor Area Ratio (FAR) of 0.4 that would apply only to the following subset of uses: Sales and Services, General; Sales and Services, Major Durables; Office; Medical Services; Restaurant.

3. The proposal would also prohibit new Mini-Warehouse storage facilities in the IG1 and IG2 zones.

The following approval is required pursuant to SEPA - Environmental Determination - Chapter 25.05, Seattle Municipal Code.

SEPA DETERMINATION: Exempt **DNS** MDNS EIS

DNS with conditions

DNS involving non-exempt grading, or demolition,
or involving another agency with jurisdiction.

PROPOSAL BACKGROUND

The intent of the proposed legislation is to provide stronger protections for industrial zoned land by decreasing the likelihood of development of new large-scale stand-alone office and retail developments, and mini storage warehouses uses in IG zones. Current development regulations in Seattle Municipal Code Title 23 section 23.50 subchapter II specify allowable and prohibited uses in the city’s industrial zones and establish development standards in these zones that include maximum size of use limits for certain categories of uses. The proposal would decrease the existing maximum size of use limits for a subset of non-industrial uses and prohibit new mini-warehouse storage uses in all IG zones.

In November of 2019, Mayor Durkan assembled an Industrial and Maritime Strategy Council to develop an Industrial and Maritime Strategy. In May of 2021, the Strategy Council reached a strong 80%+ consensus on a set of eleven recommended strategies. Mayor Durkan released a report and launched a program to implement several of the strategies. One of the eleven strategies is titled Stronger Protections for Industrial Zoned Land.

The City’s directors report on the proposed legislation states that large, stand-alone office and retail development, and mini storage warehouses are types of development that do not meet the intention of city or regional policies for Manufacturing Industrial Centers (MICs). The report documents examples and reviews the prevalence of large-scale retail developments, office and mini-warehouse storage facilities that have been constructed under existing regulations.

This is a non-project proposal. The legislation would modify zoning standards that apply in the Industrial General 1 (IG1) and Industrial General 2 (IG2) zones.

ELEMENTS OF THE ENVIRONMENT

BUILT ENVIRONMENT

Relationship to Plans and Policies

The proposal would alter standards governing the maximum size of use for several currently-allowed land uses within IG zones. The proposed legislation would introduce a reduced Floor Area Ratio (FAR) of 0.4 that would apply only to the following subset of uses: Sales and Services, General; Sales and Services, Major Durables; Office; Medical Services; and Restaurant. The proposal would also prohibit new Mini-Warehouse storage facilities in all IG1 and IG2 zones. (Mini-warehouse storage is already a prohibited use in IG1 zones in the Duwamish MIC).

Most IG zones are located in Manufacturing Industrial Centers (MICs) that are formally designated in the City's Comprehensive Plan, and in the regional Vision 2050 Plan and multi-county policies that are overseen by the Puget Sound Regional Council (PSRC). Both the Comprehensive Plan and regional policies provide guidance for preferred and intended land use in MICs. In general, policies prioritize the use of land in MICs for industrial, manufacturing, and maritime uses and activities.

Vision 2050 Regional Policies

- MPP-DP-50 Protect industrial zoning and manufacturing/industrial centers from encroachment by incompatible uses and development on adjacent land.
- MPP-EC-22 Maximize the use of existing designated manufacturing/industrial centers by focusing appropriate types and amounts of employment growth in these areas and by protecting them from incompatible adjacent uses.

PSRC provides criteria for the regional Designation as a Manufacturing / Employment Center, that include the following:

- Mix of Employment: At least 50% of the employment must be industrial employment.
- Zoning: At least 75% of the land area is zoned for core industrial uses.

City of Seattle Comprehensive Plan Goals and Policies

- GS 1.18 Promote the use of industrial land for industrial purposes.

- LU 10.2 Preserve industrial land for industrial uses, especially where industrial land is near rail- or water-transportation facilities, in order to allow marine- and rail-related industries that rely on that transportation infrastructure to continue to function in the city.
- LU 10.10 Limit the density of development for nonindustrial uses in the manufacturing/ industrial centers to reduce competition from nonindustrial activities that are better suited to other locations in the city, particularly urban centers and urban villages, where this Plan encourages most new residential and commercial development. Permit commercial uses in industrial areas only if they reinforce the industrial character, and strictly limit the size of office and retail uses not associated with industrial uses, in order to preserve these areas for industrial development.
- LU 10.26 Restrict or prohibit uses that may negatively affect the availability of land for industrial activity, or that conflict with the character and function of industrial areas.
- LU 10.28 Permit commercial uses in industrial areas to the extent that they reinforce the industrial character, and limit specified non-industrial uses, including office and retail development, in order to preserve these areas for industrial development.
- GS 1.19 Encourage economic activity and development in Seattle’s industrial areas by supporting the retention and expansion of existing industrial businesses and by providing opportunities for the creation of new businesses consistent with the character of industrial areas.

Most Industrial General zones are found in designated Manufacturing and Industrial Centers (MICs). Local and regional policies call for prioritizing industrial uses in MICs and industrial zones. The proposal could incrementally increase the likelihood that future land uses in Industrial General zones would be industrial in nature, rather than non-industrial uses such as offices, retail stores, or mini-warehouse storage. Under the proposal, it would be more likely for future land and shoreline use to be compatible with existing plans, including Seattle’s Comprehensive Plan, multi-county planning policies, and the regional Vision 2050 growth strategy. No adverse impact on consistency with plans or policies is expected.

Land Uses and Development Patterns

The affected area contains a diversity of land uses consistent with an urbanized manufacturing and industrial center. This includes a wide range of industrial businesses, maritime uses, and logistics uses. The area also contains a variety of non-industrial uses such as retail stores, offices, restaurants and hotels. There are an estimated 300-400 total housing units in the study area.

The proposal could affect existing industrial or non-industrial uses on properties that are nearby or adjacent to future development if it incrementally encourages a greater proportion of future development in industrial uses rather than non-industrial uses.

Industrial uses are the predominant existing land use in a broad majority of Industrial General zones. Future industrial development in the IG zones would be compatible with the existing development pattern and context. Small-scale general retail activity and office uses below the maximum size of use limits proposed in the legislation would be generally compatible with surrounding industrial activity, compared to large-sized retail and office uses that could occur in the absence of the proposal. No significant adverse impact on the land use and development pattern is expected.

Height/Bulk/Scale, Aesthetics, Shadows and Views

The proposal would reduce the maximum floor area ratio for a subset of allowable uses in new development. However, the proposal would not change the overall maximum floor area for new development, or height limits. Therefore, the proposal would not create changes to allowed building form that could create adverse impact on height/bulk/scale, aesthetics, shadows and views.

Noise, and light/glare

The affected area contains a diversity of existing noise sources consistent with a manufacturing industrial center. Known noise sources include rail yards, recycling and refuse collection facilities, and roadway noise from truck traffic on major truck streets. Existing sources of light and glare are also present and consistent with an industrial area.

The proposal would make it incrementally more likely for future land uses to be industrial in nature. In general, industrial uses are more likely to generate noise and light/glare impacts compared to retail uses, office uses or mini-warehouse storage. The proposal could result in an incrementally greater amount of noise, and light and glare impacts over time. However, these impacts would be consistent with the context of the surrounding industrial areas. Therefore, the proposal would have a minor adverse impact or no impact on noise and light/glare.

Environmentally sensitive areas

The proposal would not alter existing critical areas regulations that would apply at the time of a project-specific proposal. As described in the checklist, the proposal would affect land that contains critical areas including liquefaction prone soils and the potential for some isolated steep slopes. The proposal could result in a future development pattern that contains an incrementally greater proportion of industrial uses in IG zones, and an incrementally lesser proportion of large-scale retail stores, large-scale offices and mini-warehouse storage. As discussed in the checklist it is inconclusive whether the resultant land use mix would have a greater or lesser impact on environmentally sensitive areas. By decreasing the likelihood of future large-scale retail, office

and mini-storage warehouses the proposal would be likely to incrementally decrease the likelihood for complete redevelopment of certain sites in IG zones. Or in other words, property reuse as industrial without the need for major site redevelopment in industrial zones could be a result of the proposal, which could potentially reduce further alteration of land and sensitive areas. For the reasons described above, the proposal is not expected to have any more than a minor adverse impact, and could have no adverse impact on environmentally sensitive areas.

Historic Preservation and Cultural Resources

The proposal would not alter existing City of Seattle landmarks regulations or other regulations concerning historic preservation and cultural resources. These would apply at the time of a project-specific proposal. As described in the checklist the affected area contains a diversity of sites and buildings that are over 45 years old and some of these may be landmark eligible historic sites and buildings. The area includes locations of historic settlement by Indians including those areas close to the waterways of Elliott Bay and Salmon Bay. Intensive industrial and non-industrial future development would be allowed in the affected area under existing regulations and under the proposal. The proposal would not substantially alter the development propensity and could even decrease the likelihood of full-scale site redevelopment as discussed above. Existing historic preservation procedures and regulations would apply at the time of a site-specific development proposal if development is industrial or non-industrial in nature. Therefore, the proposal would have a minor adverse impact or no adverse impact on historic preservation and cultural resources.

Transportation, Parking

The proposal could incrementally increase the likelihood that future land uses in Industrial General zones would be industrial in nature, rather than non-industrial uses such as offices, retail stores, or mini-warehouse storage.

As discussed in the checklist, due to the proximity of Seattle's IG zones to existing major supporting infrastructure such as port and rail terminals compared to potential greenfield areas for industrial development, it is possible that the proposal would reduce the demand on transportation, public services and utilities by encouraging the location of industrial businesses in Industrial General zones.

Under the proposal, the demand for large new retail stores, office developments, and mini-warehouse storage facilities that might have located in IG zones in the absence of the proposal, would result in location of those uses elsewhere in Seattle. Therefore, the length of trips to retail stores, offices and mini-warehouse storage by residential populations would likely be shortened under the proposal, and it would be more likely that a higher proportion of those trips could be made by non-motorized means.

It is not expected that a future land use mix in Industrial General zones that includes an incrementally higher proportion of industrial uses (and fewer large-scale offices, retail stores, and mini-warehouse storage) would adversely impact transportation or parking. The proposal would have no more than a minor adverse impact on transportation.

Public Services, Utilities

The proposal is not expected to significantly affect public services or utilities. Development in the affected area could occur with or without the proposal. As discussed in the Relationships to Plans and Policies section and the land use and development patterns section above, future land uses under the proposal are expected to be consistent with planned land use, and compatible with the existing development context in IG zones. Since future land use under the proposal is expected to be consistent with plans for growth, and therefore plans for the servicing of growth by public services and utilities, there would be no significant adverse impact on public services and utilities.

Parks and Open Space

The proposal is not expected to significantly affect parks and open space. Development in the affected area could occur with or without the proposal. As discussed in the Relationships to Plans and Policies section and the land use and development patterns section above, future land uses under the proposal are expected to be consistent with planned land use, and compatible with the existing development context in IG zones. The proposal could incrementally decrease the likelihood that non-industrial development would be located in large buildings in industrial areas. Since future land use under the proposal is expected to be consistent with plans for growth, and therefore plans for the servicing of growth by the parks and open space system, there would be no significant adverse impact on parks and open space.

NATURAL ENVIRONMENT

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

The proposal would not alter any Federal, State or City environmental protections. Existing regulations including the City's stormwater code, shoreline master program, and other regulations would address impacts to plants, animals, air quality, earth, and water at the time of future development in the city. The proposal would not substantially increase the propensity for development, and could even decrease the propensity for major site redevelopments by encouraging reuse of industrial lands with future industrial uses. The proposal would have a minor adverse impact or no impact on plants and animals, air quality, earth and water.

Energy and Natural Resources

The proposal would not alter any Federal, State or City energy standards or natural resource protections. Existing regulations including the building code, energy code, and other regulations

