

CITY OF SEATTLE

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

**SEPA Threshold Determination
for
Update to Regional Transfer of Development Rights (TDR) Program**

Project Sponsor: City of Seattle

Location of Proposal: Transfer of Development Rights (TDR) local infrastructure project areas in parts of Downtown and South Lake Union and TDR sending areas from eligible lands in Pierce, Snohomish and King counties.

SUMMARY OF PROPOSED ACTION

This proposal would adopt by reference the Transferable Development Rights (TDR) terms and conditions in WAC 365-198 to facilitate the transfer of TDR from Snohomish and Pierce counties into Seattle, whereas the current program only allows TDR from within King County. TDR could be used to achieve extra floor area as part of new development located in the local infrastructure project area in portions of Downtown and South Lake Union according to rules already existing in the Seattle Municipal Code.

The proposal includes other potential modifications to the existing TDR program to remove or provide alternate options to regional transfer of development rights for development in Downtown to achieve extra floor area. It includes potential modifications to provide alternate options to regional transfer of development rights for development in South Lake Union to achieve extra floor area such as open space amenities, arts facility uses, public restrooms, transit station access, or the transfer of development rights from local Landmark buildings. The proposal also includes potential changes to limit or remove limits on the transfer of Landmark TDR between zones in Downtown and South Lake Union.

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

Seattle has participated in a regional TDR program since 2013. To date the program has allowed for the transfer of development rights from eligible lands in King County only. The original intent was for the program to be expanded eventually to include transfers from Pierce and Snohomish counties. The availability of eligible sites in King County is diminishing such that developments in Seattle’s local infrastructure project areas are finding it difficult to find eligible transfer sites to use the TDR program. The proposal is intended to expand the area of eligible transfer sites to Pierce and Snohomish counties and increase the availability of eligible lands to facilitate development in Seattle’s Downtown and South Lake Union Urban Centers. Other proposed changes are intended as technical modifications to make the TDR program work more effectively. The proposal would adopt the terms and conditions provided by WAC 365-198 concerning interlocal agreement for transfers of development rights between counties, cities, and towns.

This is a non-project proposal. The legislation would modify zoning standards that apply in Downtown and South Lake Union which could affect future development under the proposed development standards. These proposed changes are the subject of the SEPA checklist and this decision.

ELEMENTS OF THE ENVIRONMENT

BUILT ENVIRONMENT

Relationship to Plans and Policies

The proposal is consistent with the City’s Comprehensive Plan including the Growth Strategy chapter, the Land Use chapter and the Environment chapter. The regional TDR program facilitates dense development including extra floor area in two of Seattle’s designated urban centers. Urban

Centers are planned for the city's highest intensity mix of uses and activities including concentrations of housing and jobs. The regional TDR program is also intended to encourage long-term preservation of agricultural and resources lands in undeveloped parts of King, Pierce and Snohomish counties. Preservation of such lands is consistent with the City's environmental goals.

There are numerous goals and policies in the Comprehensive Plan concerning growth in Urban Centers and environmental health that could be relevant to this proposal. A selection of the most relevant policies is provided below. Not all policies in the Comprehensive Plan can be summarized in this determination.

- **GS G2** Accommodate a majority of the city's expected household growth in urban centers and urban villages and a majority of employment growth in urban centers.
- **GS 2.1** Plan for a variety of uses and the highest densities of both housing and employment in Seattle's urban centers, consistent with their role in the regional growth strategy.
- **LU G1** Achieve a development pattern consistent with the urban village strategy, concentrating most new housing and employment in urban centers and villages, while also allowing some infill development compatible with the established context in areas outside centers and villages
- **LU 1.3** Provide for a wide range in the scale and density permitted for multifamily residential, commercial, and mixed-use projects to generally achieve the following overall density and scale characteristics, consistent, at a minimum, with the guidelines in Growth Strategy Figure 1: In urban centers, a moderate to high-density and scale of development...
- **LU 5.17** Help preserve active farms in the region through strategies such as offering incentives to developers who transfer development rights from regional farmland to sites in the city.
- **EN G1** Foster healthy trees, vegetation, and soils to improve human health, provide wildlife habitats, improve drainage, give residents across the city access to nature, provide fresh food, and increase the quality of life for all Seattleites.
- **EN 3.7** Support a food system that encourages consumption of local foods and healthy foods with a low carbon footprint, reduces food waste, and fosters composting.

The proposal is consistent with the Comprehensive Plan including the goals and policies listed above. The proposal would adjust an existing program adopted in the City's Land Use Code. Therefore, the proposal would have no adverse impacts on existing plans or policies.

Land Uses and Development Patterns

The proposal would make changes to the TDR program that could affect land use and development patterns. The proposal could result in transfer of development rights from more agricultural and

resource lands in Pierce and Snohomish counties than would occur under existing regulations. This could result in more long-term preservation of agricultural and resource lands than if the proposal were not implemented, which would not negatively affect the environment with regard to land use and development pattern. It is also possible however that the combination of proposed changes could have the affect of reducing the attractiveness for development to use regional TDR compared to other options. If this occurs the proposal could cause an incremental reduction in the amount of preservation of agricultural and resource lands. Less preservation could cause an adverse impact if resource lands are converted to urban development. However, the degree of any adverse impact would be no more than minor because due to the complexity and variety of factors affecting development feasibility the amount of the increment in this direction would be very small.

As stated in the checklist, the proposal could make it incrementally easier for development proposals to achieve extra floor area. This could potentially cause an incremental increase in the pace of development in Downtown and South Lake Union urban centers. The degree of this impact would be no more than minor since many other factors affect development feasibility. Downtown and South Lake Union are planned as urban centers with a variety of transportation, open space and other supports corresponding with dense urban development further decreasing the potential for significant adverse impact from the proposal for these areas.

Height/Bulk/Scale, Aesthetics, Shadows and Views

The proposal does not include any increase in the overall amount of allowable height or floor area for new development in Seattle's TDR local infrastructure project areas. Existing development regulations governing the bulk and scale of buildings are maintained and existing design review requirements would apply. Therefore, the proposal would not create changes to allowed building form that could create adverse impact on height/bulk/scale, aesthetics, shadows and views, or noise, light/glare.

As stated in the checklist, the proposal could make it incrementally easier for development proposals to achieve extra floor area. This could potentially cause an incremental increase in the pace of development in Downtown and South Lake Union Urban Centers. However, the degree of this impact would not be more than minor since many other factors effect development feasibility.

Environmentally sensitive areas

The proposal would not alter existing critical areas regulations in either the sending areas or local infrastructure project areas. As stated in the checklist, minor impacts could occur if the proposal changes the amount and geographic location of farms, forest, and rural land that is protected through the purchase of regional TDR. By adding Downtown and South Lake Union as areas where Snohomish and Pierce County can transfer development rights to, the proposal would likely create a net increase in the amount of land preserved for agricultural and resource uses in Snohomish and Pierce counties than if the proposal were not implemented. Agricultural and

resource lands are environmentally sensitive areas, and their preservation as such would not be expected to create an adverse environmental impact.

It is also possible however that the combination of proposed changes could have the affect of reducing the attractiveness for development to use regional TDR compared to other options. If this occurs, the proposal could cause an incremental reduction in the amount of preservation of agricultural and resource lands. Less preservation could cause an adverse impact since resource lands are environmentally sensitive areas. However, the degree of any adverse impact would be no more than minor because due to the complexity and variety of factors affecting development feasibility the amount of the increment in this direction would be very small.

Historic Preservation and Cultural Resources

The proposal could affect historic preservation by affecting the mechanism for transfer of development rights from historic landmarks in Seattle. The proposed changes would continue to allow transfer of development rights from historic structures but could change rules to loosen the limits on the transfer of Landmark TDR between zones in Downtown and South Lake Union. It is expected that this could make it incrementally easier for development to use TDR for historic preservation to gain extra floor area. This would have a net benefit for historic preservation. However, given the complexity of development feasibility and other changes contemplated in the proposal the degree of this effect would be very small or even imperceptible. It is even possible that the combination of changes proposed could have the effect of reducing the attractiveness for development to use TDR for landmark preservation compared to other options. The degree of any adverse impact however would not be more than minor given the complexity and variety of factors affecting development feasibility.

Transportation, Parking

As stated in the checklist, the proposal could make it incrementally easier for development proposals to achieve extra floor area. This could potentially cause an incremental increase in the pace of development in Downtown and South Lake Union urban centers, which could indirectly impact transportation systems and parking. The degree of this impact would be no more than minor since many other factors affect development feasibility. Additionally, Downtown and South Lake Union are planned as urban centers with a variety of transportation supports corresponding with dense urban development further decreasing the potential for significant adverse impact from the proposal for these areas with regard to transportation. Existing parking regulations would not be altered by this proposal.

Public Services, Utilities, Parks and Open Space

As stated in the checklist, the proposal could make it incrementally easier for development proposals to achieve extra floor area. This could potentially cause an incremental increase in the pace of development in Downtown and South Lake Union urban centers, which could indirectly impact public services, utilities, parks and open space.

The City's existing regulations requiring improvements to utilities at the time of development would not be altered by this proposal. Required utility work associated with potential future development projects under the proposal would likely be sufficient to address any localized needs for utility improvement. The range of potential impacts on emergency services, compared to those estimated as part of past studies, are not like to be discernably altered. No more than a minor impact on emergency services or utilities would result.

Downtown and South Lake Union are planned as urban centers with a variety of open space supports corresponding with dense urban development further decreasing the potential for significant adverse impact from the proposal for these areas with regard to open space. The combination of proposed changes to the TDR program could increase or decrease the attractiveness for development to include publicly accessible open spaces and green features in projects compared to other options including regional TDR. Due to the complexity and variety of factors affecting development feasibility it is not possible to determine the specific amount of increase or decrease in open spaces in new development. If a decrease, the degree of any adverse impact on open space would not be more than minor.

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 could affect the amount and geographic location of local farms, forest, and rural land protected through the purchase of regional development rights. Agricultural and resource lands often provide beneficial habitats for plants and animals, as well as air quality, earth and water benefits compared to development of such lands with urban uses. To the extent that the proposal encourages preservation of agricultural and resource lands through the TDR program, it is expected that the environment would not be adversely impacted. It is possible that the combination of changes to the TDR program could cause an incremental decrease in the attractiveness for development to use the TDR program to preserve some sites in the eligible sending areas. However, given the variety of factors affective development feasibility and the broad and dispersed geographic area of eligible lands any potential adverse impact would be no more than minor.

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 would address energy impacts or impacts to natural resources at the time of future development.

The magnitude of the potential impacts stemming from this proposal is determined not be significant.

DECISION

Based on a review of the SEPA environmental checklist, and the analysis of impact described above the following threshold determination is rendered:

- [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: signature on file Date: 7/07/2021
Geoff Wentlandt
Office of Planning and Community Development