

# State Environmental Policy Act Case Studies



July 2010



**Department of Commerce**  
Innovation is in our nature.

## INTRODUCTION

This study was conducted to further one of the Department of Commerce's top priorities: "*Efficient and Effective Regulation.*"

Commerce is pursuing this priority while continuing to be mindful of the state's commitment to maintaining quality environmental and safety standards.

Commerce recognizes that lower costs and increased timeliness of regulatory procedures go straight to the bottom line of Washington's businesses.

# Study Questions

## *Eight State Environmental Policy Act (SEPA) Case Studies*

### STUDY QUESTION 1

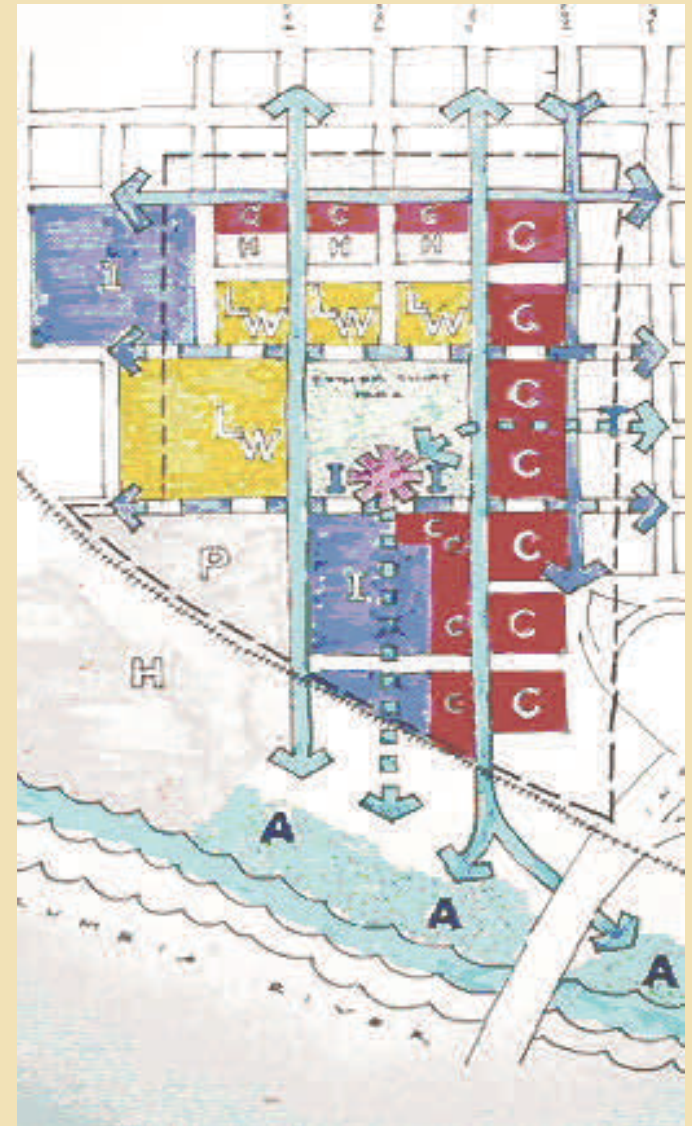
What private- and public-sector benefits have been realized in eight differently situated communities across the state using and not using SEPA integrated actions since 1996?

### STUDY QUESTION 2

How did these SEPA actions interact with other efforts, programs or policies contributing to the stimulation of development?

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*Vancouver's downtown re-development Esther Short Subarea planned land uses include commercial, live/work and parking.*



## INTRODUCTION

# Case Study Method

## *Interview Topics and Community Selection*

### *What is a Case Study?*

- A description of a real organization, program, project or system in detail.
- A case study contains a description of the “environment” surrounding the case so that the reader has an opportunity to evaluate how many parallels the case has to other situations.

### CASE STUDY FOCUS

- Builds on case study work done on integration of SEPA and GMA by:
  - ◇ Growth Management Services in 1996
  - ◇ David Evans for Growth Management Services in 2002
  - ◇ Deborah Munkberg of Blumen Consulting Group in 2008
- Focused on outcomes and lessons that could be learned
- Conducted on-site structured interviews in each community

### INTERVIEW TOPICS

- Key facts
- SEPA experience citywide
- Case area development
- Case area SEPA experience
- SEPA strengths and challenges

### COMMUNITY SELECTION

- Selected a cross-section of communities in the state
- Six communities had a history with the use of plan-level SEPA alternatives to reduce time-to-permit in areas targeted for growth and two used traditional tools to predefine mitigation.



*Eight case study communities throughout Washington State were selected for on-site, structured interviews.*

## INTRODUCTION

### *How The State Environmental Policy Act (SEPA) Works*

SEPA requires that potential impacts of public and private proposals on the built and natural environment be considered by public officials prior to approval of development.

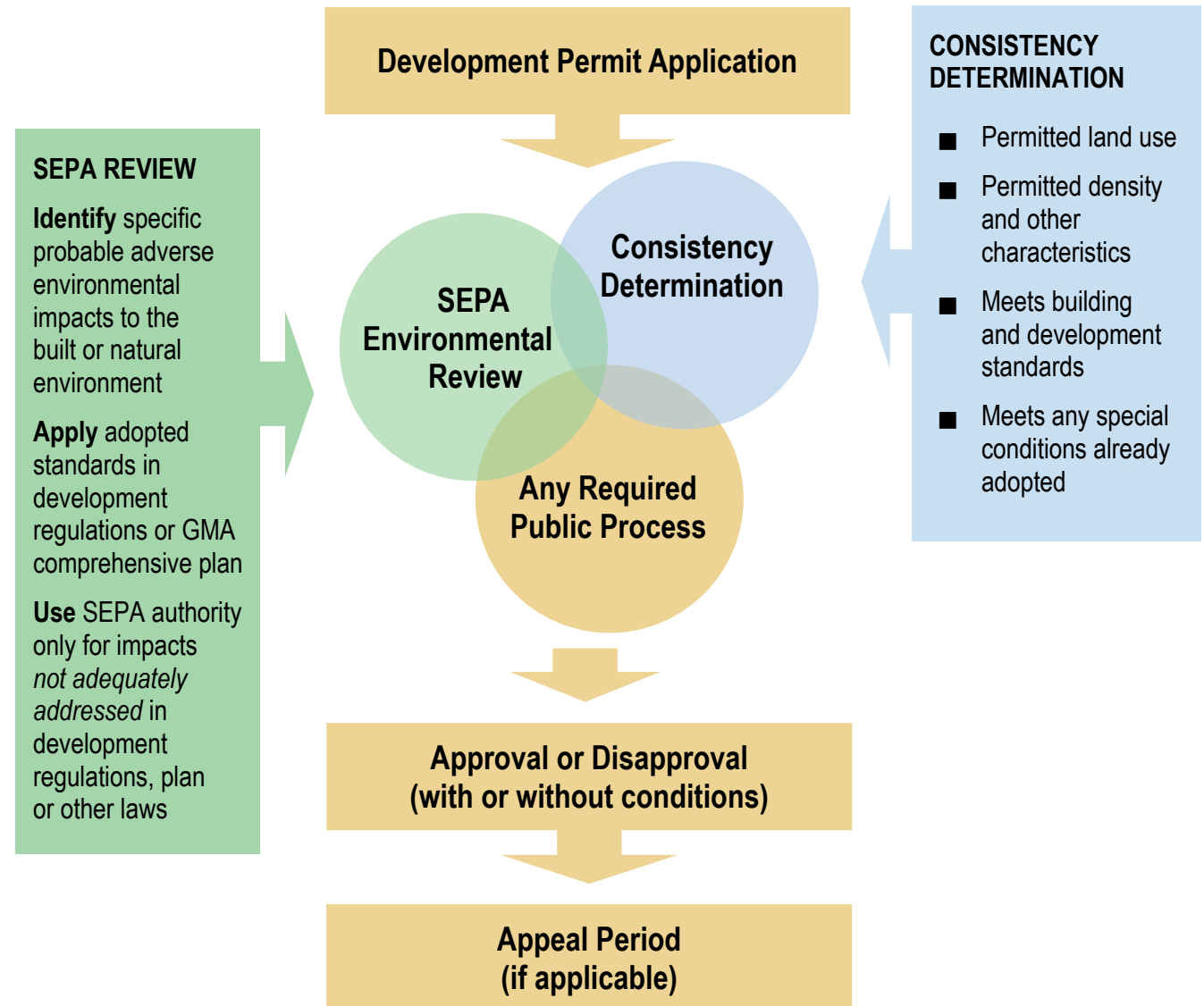
Public officials can use the impact information to eliminate or reduce likely impacts by:

- requiring changes
- adding approval conditions
- denying approval.

# What is the State Environmental Policy Act?

*How does it fit into regulation of development?*

## BASIC DEVELOPMENT APPROVAL PROCESS





## INTRODUCTION

### SEPA REVIEW DEFINITIONS

#### **EIS (Environmental Impact Statement)**

Impartial discussion of significant environmental impacts, reasonable alternatives, and mitigation measures that would avoid or minimize adverse impacts.

#### **DNS (Determination of Non-Significance)**

Documents the responsible official's decision that a proposal is not likely to have significant adverse environmental impacts.

#### **MDNS (Mitigated Determination of Non-Significance)**

A DNS that contains mitigation or conditions that reduce likely significant adverse environmental impact(s) to a non-significant level.

# Methods of Defining SEPA Mitigation

## *Four Alternatives at the Comprehensive or Subarea Plan Level*

### 1. INTEGRATED GMA PLAN/SEPA DOCUMENT

- Combined environmental review (EIS, supplemental EIS or expanded checklist) and growth management Comprehensive or Subarea Plan in one document/process
- Satisfies requirements of both GMA and SEPA
- Environmental review evaluates environmental consequences of the proposed land use plan compared to alternatives
- Adopted document used as a basis for requiring identified mitigation for projects that implement the plan

### 2. PLAN-LEVEL 'NON-PROJECT' SEPA DOCUMENT

- Separate document containing an environmental review and mitigation for a Comprehensive or Subarea Plan
- Adopted document used as a basis for requiring identified mitigation for projects that implement the plan



*Architectural rendering of a redevelopment concept for part of Spokane's University District.*

## INTRODUCTION

The timeline below shows the type of SEPA process used in each of the eight case study communities and the date that each plan was adopted by the community. The five communities above the line chose to implement planned actions. The remaining three used other methods. Spokane adopted a non-GMA Strategic Plan for their sub-area and did not use SEPA.

# Methods of Defining SEPA Mitigation

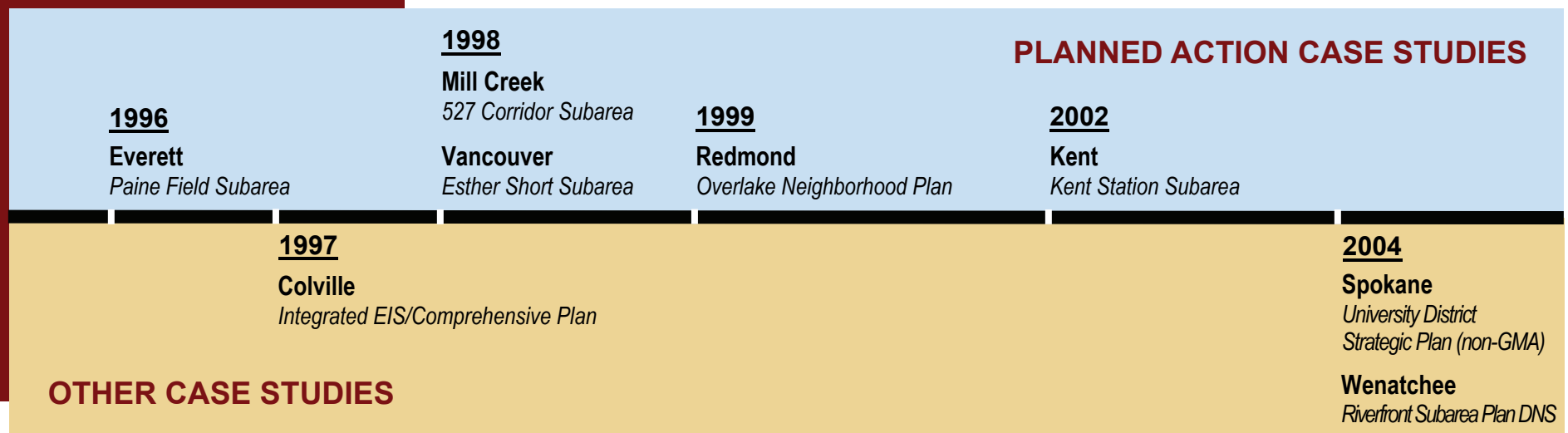
## Four Alternatives at the Comprehensive or Subarea Plan Level

### 3: PLANNED ACTION

- Area-wide development plan with a SEPA environmental review
- Identifies probable impacts, appropriate mitigation and up-front development conditions
- Subsequent projects in the area are reviewed for consistency with the development conditions
- If consistent, projects are considered “planned actions” that do not need individual SEPA review

### 4: 2010 ESHB 2538 SUBAREA PLAN

- Allows for review of *qualifying* Comprehensive Plan element or Subarea Plan through a SEPA environmental review, that leads to up-front development conditions and mitigation requirements
- For 10 years, developments in the area that are consistent do not need additional SEPA review
- Developments are also exempt from administrative or judicial appeals for noncompliance with SEPA.



## KEY FINDINGS

**Predefined mitigation** or development permit conditions and reduced SEPA appeals were cited in all case studies as one of a package of tools used to promote development.

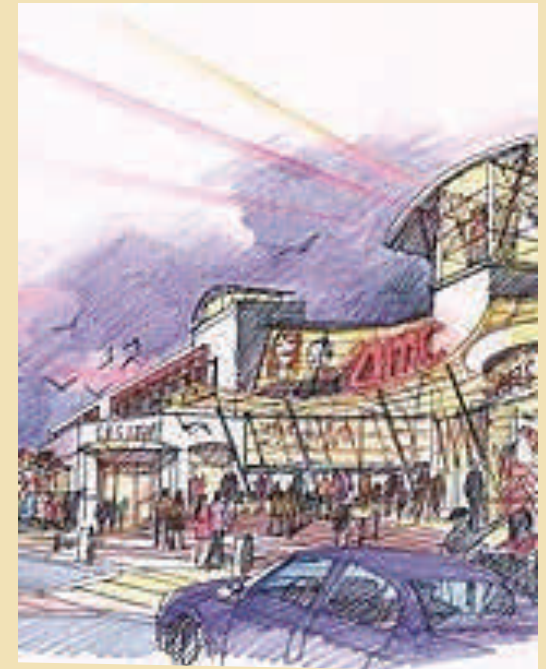
**Plan-level SEPA processes** were one among the planning tools used to achieve predefined mitigation. All cities reported using at least one (and in some cases several) plan-level SEPA process options.

## Overview

### *SEPA Integrated Actions a Valuable Planning Tool Despite Cost*

#### OUTCOMES & OBSERVATIONS

- Subareas experienced 60% to 107% of planned development
- Predefined mitigation resulted in:
  - ◇ Increased certainty and predictability
  - ◇ Time and cost savings for developers and cities
  - ◇ Increased revenues, when used with other economic development tools
- Coordinated subarea planning allowed for greater community engagement
- Cities that adopted planned actions already have done so again, or would if funding were available
- Biggest barrier to expanded usage has been up-front costs to cities and “first-in” developers
- Overall, the number of EISs and MDNSs dropped sharply since the mid-1990s



## KEY FINDINGS

# Study Question 1

## *Summary of Key Findings*

### STUDY QUESTION 1:

What private- and public-sector benefits have been realized in the case study cities using and not using SEPA integrated actions since 1996?



### **More effective planning and greater community engagement**

- Six cities reported more meaningful community engagement, including two examples of the use of planned actions to address significant concerns by residents about increases in density.
- Four cities reported that predefined mitigation provided a vehicle for improving planning, uniformity in impact mitigation, and inter-jurisdictional relationships.
- Several cities phased in additional mitigation over time as pre-specified development or impact thresholds were exceeded.

### **Predefined mitigation spurred development, increasing tax revenues**

- All cities reported using predefined mitigation as part of a package of marketing tools to encourage development or redevelopment (*see Page 12*).
- In all cases, property, sales, B&O and/or real estate tax revenue increased for local and state government from new development.
- Two cities used predefined development conditions as an incentive for redevelopment or development of “marginal” or “higher risk” areas by a wider range of companies or developers.



## KEY FINDINGS

### STUDY QUESTION 1:

What private- and public-sector benefits have been realized in the case study cities using and not using SEPA integrated actions since 1996?

#### TABLE NOTES:

1) Opportunity cost — The financial benefit that can be gained from the next best opportunity for the use of an asset. A key concept in economics and business decision analysis.

2) Assumed the same funds could be invested at a 5% per year return on investment (ROI) elsewhere.

3) Additional cost of delay in private sector investment may result from construction cost inflation and delayed or forgone public tax collections by the state and local government.

4) Additional cost of delay in public investment may result from construction cost inflation and the resulting increase in public borrowing cost to finance public infrastructure over 20 to 30 years.

## Study Question 1 Sidebar

### Opportunity Cost Exercise

#### Wide range of potential savings from reduced permitting time

- For all eight subareas, predefined mitigation is estimated to have saved private developers from \$8.8 million to \$35.2 million, and public developers from \$2.8 million to \$11 million in opportunity costs.
- These estimates are based on the total value of private and public development from the case study subareas, assuming an opportunity cost of 5 percent and reduced SEPA permitting times of one to four months.

	Private-Sector Development Projects: <i>Range of Opportunity Cost Savings in Permit Processing Time</i>			Public-Sector Development Projects: <i>Range of Opportunity Cost Savings in Permit Processing Time</i>		
Case Study Subarea	Private Investment	One month	Four months	Public Investment	One month	Four months
Everett	\$390,000,000	\$1,625,000	\$6,500,000	\$400,000,000	\$1,666,666	\$6,666,666
Redmond	\$1,200,000,000	\$5,000,000	\$20,000,000	NA	--	--
Colville	\$47,800,000	\$199,166	\$796,666	NA	--	--
Mill Creek	\$100,000,000	\$416,666	\$1,666,666	\$8,500,000	\$35,416	\$141,666
Kent	\$40,000,000	\$166,666	\$666,666	\$25,500,000	\$106,250	\$425,000
Vancouver	\$225,000,000	\$937,500	\$3,750,000	\$18,000,000	\$75,000	\$300,000
Spokane	\$110,900,000	\$458,333	\$1,833,333	\$120,000,000	\$500,000	\$2,000,000
Wenatchee	NA	--	--	\$90,000,000	\$375,000	\$1,500,000
Total	\$2,113,700,000	\$8,803,331	\$35,213,331	\$662,000,000	\$2,758,332	\$11,033,332

## KEY FINDINGS

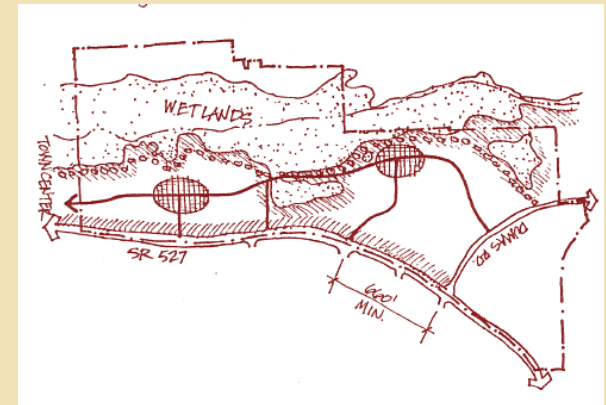
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## Study Question 1

### *Summary of Key Findings*



## KEY FINDINGS

### STUDY QUESTION 1:

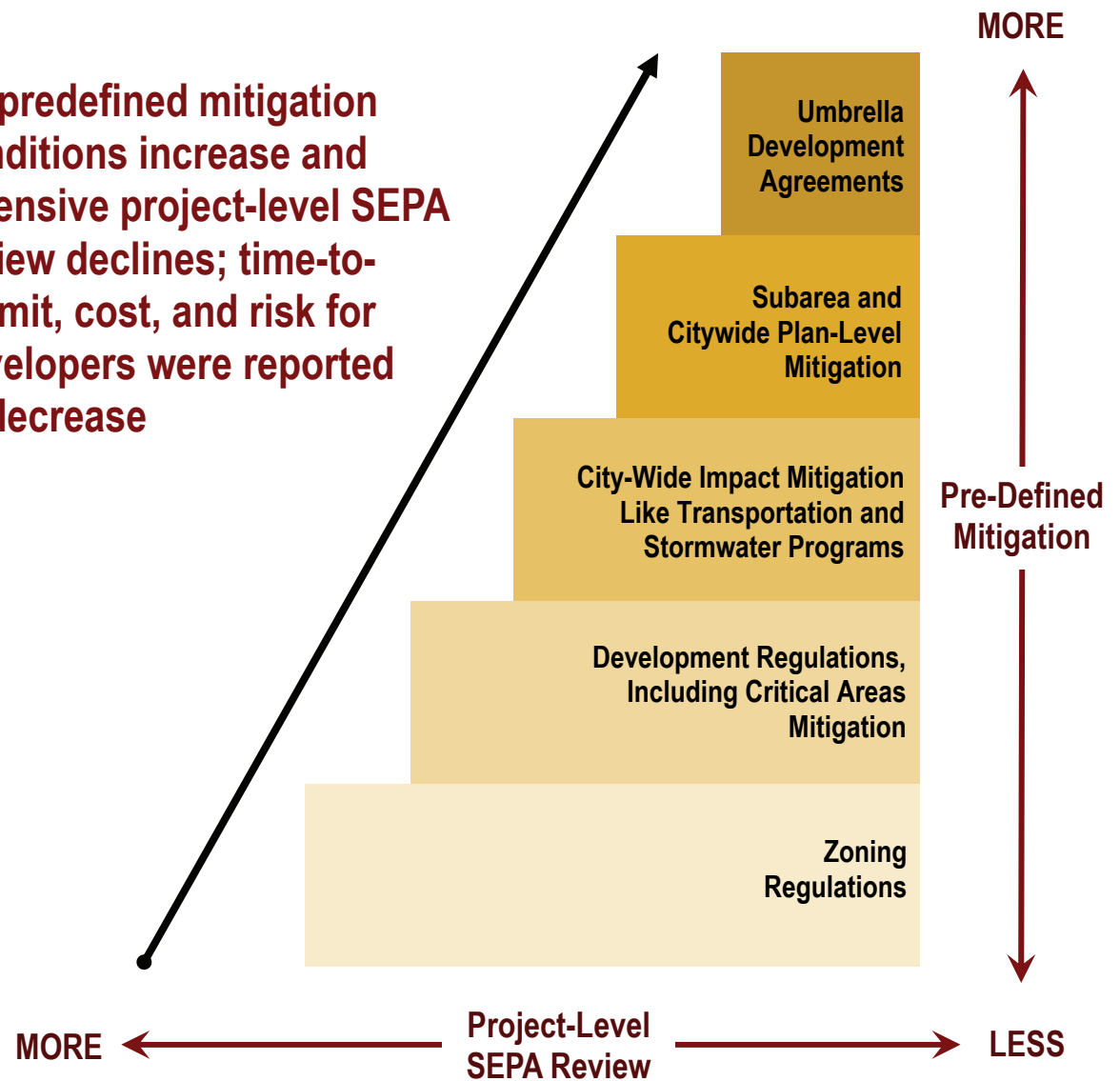
What private- and public-sector benefits have been realized in the case study cities using and not using SEPA integrated actions since 1996?



## Study Question 1

*Predefined Mitigation Building Blocks Used in Case Subareas*

**As predefined mitigation conditions increase and extensive project-level SEPA review declines; time-to-permit, cost, and risk for developers were reported to decrease**



## KEY FINDINGS

# Study Question 2

## *Summary of Key Findings*

### STUDY QUESTION 2:

How did SEPA actions interact with other efforts, programs or policies contributing to the stimulation of development?



### **Predefined mitigation used to leverage other development incentives**

Predefined mitigation resulting from plan-level SEPA analysis was used uniformly in the case studies as part of a set of economic development tools to leverage development that included one or all of the following:

- Public infrastructure improvements that reduce or control mitigation costs
- Expedited permitting and land use incentives such as bonus density, floor area ratios and reduced parking requirements
- Tax increment or local improvement district financing for required public infrastructure
- Brownfield site clean up and land consolidation
- Development project financing incentives.





## KEY FINDINGS

What has changed since the 2002 review by Growth Management Services of Integrated SEPA ?



# What Has Changed Since 2002 Review?

## *Summary of Key Findings*

### **Cities expect to use SEPA planned actions again but cost is a barrier**

- Cities and major or “first in” developers often bore all or much of the cost of determining predefined mitigation.
- Six cities that used planned actions or integrated EIS and GMA plan documents have used them again or wish to use them again. The primary stated barrier to expanded use is up-front planning cost.

### **Number of EISs and MDNSs dropped sharply**

In all case study cities since the mid-1990’s, the number of EISs and MDNSs required of development at the project level citywide has significantly decreased.

- All cities reported currently requiring on average, one EIS every three years.
- All cities reported requiring at least a few MDNSs.
- Cities with more predefined mitigation required fewer SEPA conditions than cities with less predefined mitigation.
- Public development projects more frequently required expanded environmental documents than private development since predefined mitigation was not always extended to public projects.

All cities established a significant level of predetermined mitigation in their target subarea. It is unclear whether the city’s development goals will be achieved in the two subareas not using plan-level SEPA alternatives.

## The Eight Subareas in Context

### *Development Goals*

#### INDUSTRIAL OR EMPLOYMENT CENTER

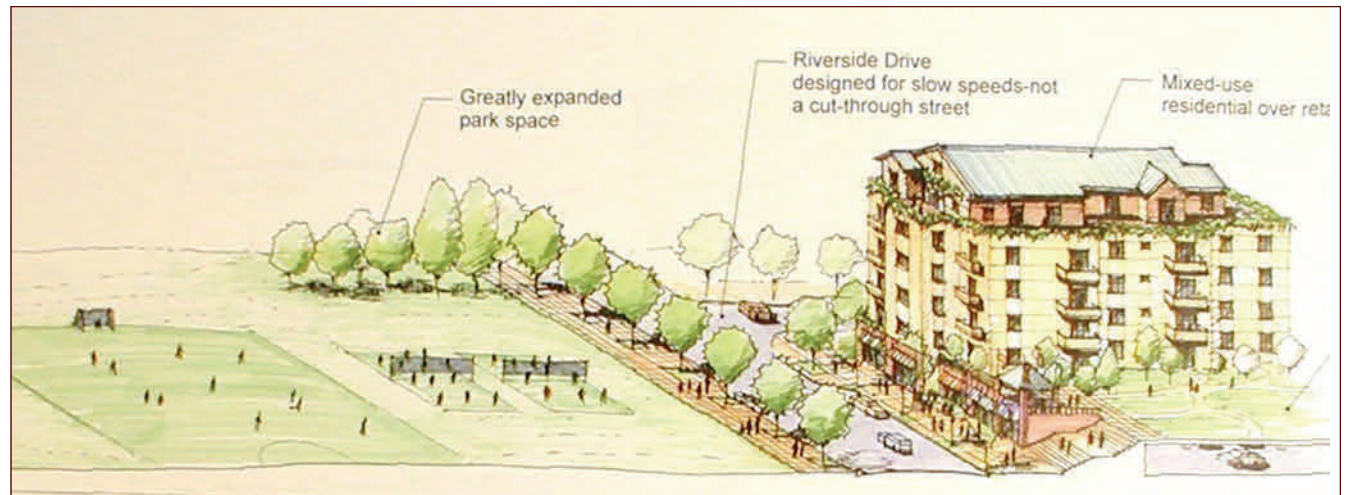
- Everett
- Redmond

#### STIMULATE DOWNTOWN DEVELOPMENT

- Colville
- Mill Creek

#### EXPAND DOWNTOWN URBAN RE-DEVELOPMENT

- Kent
- Vancouver
- Spokane
- Wenatchee



*A sketch of Wenatchee Riverfront Subarea depicting an expanded park and a mixed-use private development with residential over restaurants and other commercial spaces.*



## EVERETT

# Southwest Everett / Paine Field Subarea

## *Planned Action — 1996*

### **Subarea Characteristics**

- 4,000 acres in Puget Sound
- Planned action to create industrial employment center

### **Land-Use Characteristics**

- Paine Field Airport
- Boeing airplane manufacturing facility on 1,000 acres
- Manufacturing
- Office
- Warehouse

### **City Characteristics**

- 103,500 population, 34 sq. mile city
- 3,039 persons per sq. mile
- 2,466 jobs per sq. mile
- 83,900 total jobs

### **Subarea Development**

- 3.9 million sq. ft. of space
- 71 projects
- 90% of buildable land in subarea has been developed
- Total employment 44,000

### **CASE OVERVIEW**

- Expanded citizen involvement process beyond SEPA requirements.
- Non-project Subarea Plan EIS was completed prior to planned action ordinance.
- Water, sewer and road improvements built in the subarea prior to planned action through a large local improvement district.
- \$400 million in transportation mitigation was built using \$49 million provided by Boeing, impact fees from other property owners, state, federal, transit agency and local government funding.
- Public road projects were excluded from the planned action ordinance, so underwent traditional SEPA review.
- Planned action provides for approval without appeal of development proposals that are consistent with the adopted plan and do not exceed total employment threshold of 50,000 for



*Boeing Company airplane manufacturing plant in the southwest Everett Paine Field Subarea.*



## EVERETT

# Southwest Everett / Paine Field Subarea *Planned Action — 1996*

### *Private investment*

- \$390 million assessed value

### *EIS and Planned Action Ordinance - PERF Cost*

- \$530,000 (1995)

### *SEPA Actions*

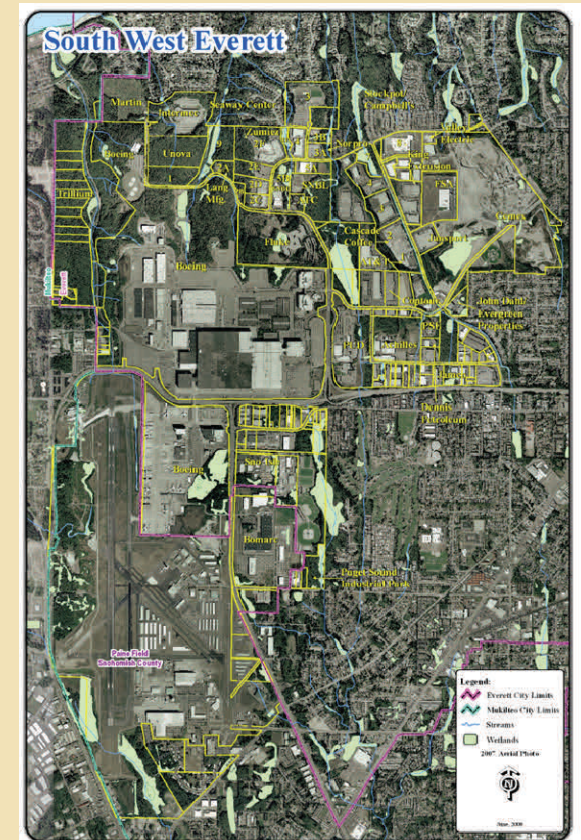
- 70 planned action consistency approvals
- 30 days or less for each, reduced from three months to one year if an MDNS or EIS had been required

### *Other Economic Dev. Tools*

- Expedited permitting
- Local Improvement District
- Built Public Infrastructure
- Transportation Impact Fees
- Boeing Master Plan
- Rinker-Cemex Planned Development Overlay

### **CASE OUTCOMES**

- 90 percent of buildable land has been developed.
- Approximately 300 acres remain, primarily consisting of topographically challenged land including critical areas.
- Total estimated assessed value of investment at \$100 per square foot of floor area is \$390 million, increasing tax base.
- City has attracted developers with short permit turn around time and certainty created by planned action.
- Converted mitigation determinations made on a project-by-project basis to one area-wide determination administered as development occurs.
- Improved intergovernmental relationships with Snohomish County and the City of Mukilteo.
- Developed and adopted a specific form and process for planned action consistency that replaces the standard SEPA process.





# REDMOND

## Overlake Neighborhood Plan *Planned Action — 1999*

### *Subarea Characteristics*

- 1,200 acres in Puget Sound
- Planned action to create mixed-use urban center with Microsoft headquarters campus

### *Land-use Characteristics*

- Business Park: 40%
- Single-family residential: 25%
- Office, retail, multi-family: 35%
- Urban Center designation under GMA
- Designated for Sound Transit light rail station

### *City Characteristics*

- 51,890 pop., 17 sq. mile city
- 3,046 persons per sq. mile
- 5,336 jobs per sq. mile
- 90,700 total jobs

### *Subarea Development*

- 6 million sq. ft. of non-residential floor area
- 300 dwelling units
- 99% of 2012 permitted sq. footage built by 2009

### **CASE OVERVIEW**

- Expanded citizen involvement effort beyond what is required by SEPA.
- Integrated EIS and neighborhood plan were done prior to planned action ordinance and supplemented for update in 2007-2009.
- Planned action ordinance is administered using standard SEPA checklist to determine consistency.
- Mitigation is tied to non-residential floor area thresholds.
- Microsoft constructed some of the public transportation mitigation projects in order to meet timing requirements.
- Initial mitigation costs to Microsoft were roughly \$1 per square foot; more recent costs are \$15 per square foot.
- Redmond has more recently predefined many mitigation requirements citywide in its integrated development regulations, which include impact fees programs and area-based regulations and incentives.



*Microsoft Headquarters Campus.*

# REDMOND

## Overlake Neighborhood Plan *Planned Action — 1999*

### **Private Investment**

- \$1.2 billion at \$200 per sq. ft.

### **Planned Action Cost**

- \$480,000 plus 2007-2009 update

### **SEPA Actions**

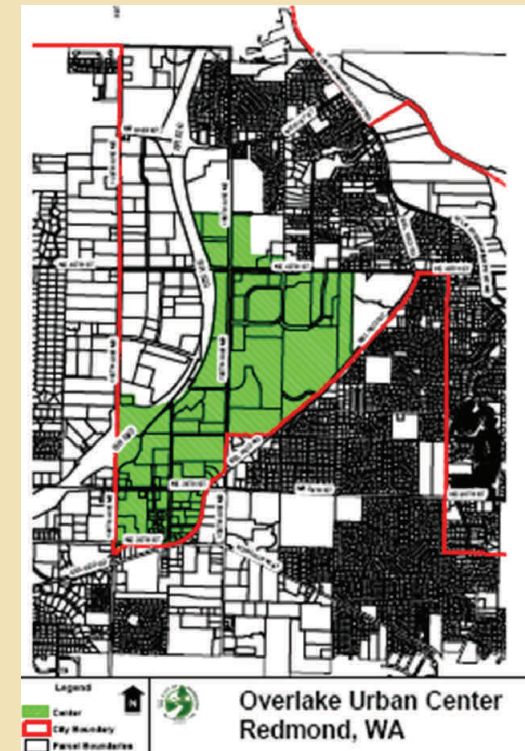
- 17 approvals under Planned Action Ordinance
- Historically avoided one EIS and at least six MDNS at estimated cost of \$500,000
- Reduces time-to-permit by about five weeks

### **Other Economic Dev. Tools**

- Transportation infrastructure including light rail
- Regional stormwater facilities
- Detailed Microsoft umbrella development agreement
- Interlocal agreement with Bellevue

### **CASE OUTCOMES**

- Resolved project-level SEPA appeals that began in the 1980s.
- Reduced processing time by approximately five weeks per application.
- Created greater certainty and predictability for Microsoft while allowing flexibility within defined parameters in umbrella development agreement.
- Matured intergovernmental relationship with Bellevue.
- 22 out of 45 transportation mitigation projects in area have been or are being constructed. Some are being reevaluated due to planned light rail station/service in area.
- No development appeals in the Overlake neighborhood.
- Designated area as “urban center” and sited light rail station.
- Monitored through citywide “mobility report card” and “community indicators” report that tracks Overlake separately on key indicators including environmental indicators.





# COLVILLE

## City of Colville

### *Integrated EIS and Comprehensive Plan — 1997*

#### **Subarea — Full City**

- 1,900 acres in central region
- Integrated EIS and Comprehensive Plan including industrial and downtown development

#### **Land-Use Characteristics**

- Residential 40%
- Public 28%
- Commercial 18%
- Industrial 8%
- Vacant 8%

#### **City Characteristics**

- Small, 5,040 population, 3 sq. mile city
- 1,900 persons per sq. mile
- 1,367 jobs per sq. mile
- 4,100 total jobs

#### **City Development**

- 80 new private projects
- 39 private remodels or additions
- Exceeded 2010 job growth target, going from 2,246 to 4,100 jobs

#### **CASE OVERVIEW**

- Full city covered by integrated EIS and Comprehensive Plan.
- Developed integrated document as part of PERF grant to Stevens County six-city consortium.
- SEPA allowed city to begin to address stormwater, wetland and soil issues that created problems historically.
- City uses project-level SEPA review to ensure that site-specific issues are properly mitigated.
- Lag between first inquiry and filing of development application is often several years.

*The Colville 2000 Downtown Revitalization Plan has helped modernize the city, in part by stewarding the completion of roundabouts on U.S. 395 at the northern and southern interfaces.*



# COLVILLE

## City of Colville

### *Integrated EIS and Comprehensive Plan — 1997*

#### *Private investment*

- \$47.8 million

#### *Integrated EIS and Plan Cost for Colville - PERF*

- \$121,000 (1995)

#### *SEPA Actions*

- 0 EIS
- 3 MDNSs
- 49 DNSs

#### *Other Economic Dev. Tools*

- Downtown Improvement District
- Infrastructure investments downtown

#### ■ **CASE OUTCOMES**

- Average of eight new private developments each year for the last decade.
- SEPA reviews help avoid new stormwater and wetland problems and mitigate past issues.
- Benefitted from citywide information; reduced the number of MDNSs.
- Able to parallel SEPA and development review to reduce time-to-permit in most cases.
- Improved relationship with Stevens County government and planned development adjacent to city limits.
- Redevelopment is occurring at higher intensity.
- Complements downtown revitalization efforts.
- Developing citywide pre-defined mitigation is not considered cost-effective for the level of development activity.





## MILL CREEK

# SR 527 Corridor Subarea

*Planned Action — 1998*

### **Subarea Characteristics**

- 157 acres in Puget Sound region
- Planned action to create high-density residential adjacent to downtown of emerging suburb

### **Land-Use Characteristics**

- High-density residential: 83%
- Business park and public: 17%
- City incorporated in 1983 from planned community
- Seven large rural properties adjacent to downtown core
- Bordered by creek and SR 527

### **City Characteristics**

- 18,480 population, 5 sq. mile city
- 4,000 persons per sq. mile
- 950 jobs per sq. mile
- 4,700 total jobs

### **Subarea Development**

- Residential area fully developed by 2006 with 1,000 units
- Five projects
- Public park and trail amenities

### **CASE OVERVIEW**

- Extensive public involvement campaign beyond standard SEPA requirements.
- Complemented city's efforts to develop a downtown in a primarily single-family residential community.
- Focused on working through community resistance to high-density residential.
- Allowed the city to address issues related to the adjacent protected creek and state highway.
- Certainty provided by design guidelines that are part of the planned action were instrumental in gaining public support.
- Unable to do additional desired planned actions due to financial constraints.



*Bill Trimm, Mill Creek Community Development Director, explains how the traffic plan connects Town Center.*

## MILL CREEK

# SR 527 Corridor Subarea *Planned Action — 1998*

### *Private Investment*

- More than \$100 million

### *Planned Action and Supplemental EIS Cost*

- \$170,000 with PERF

### *SEPA Actions*

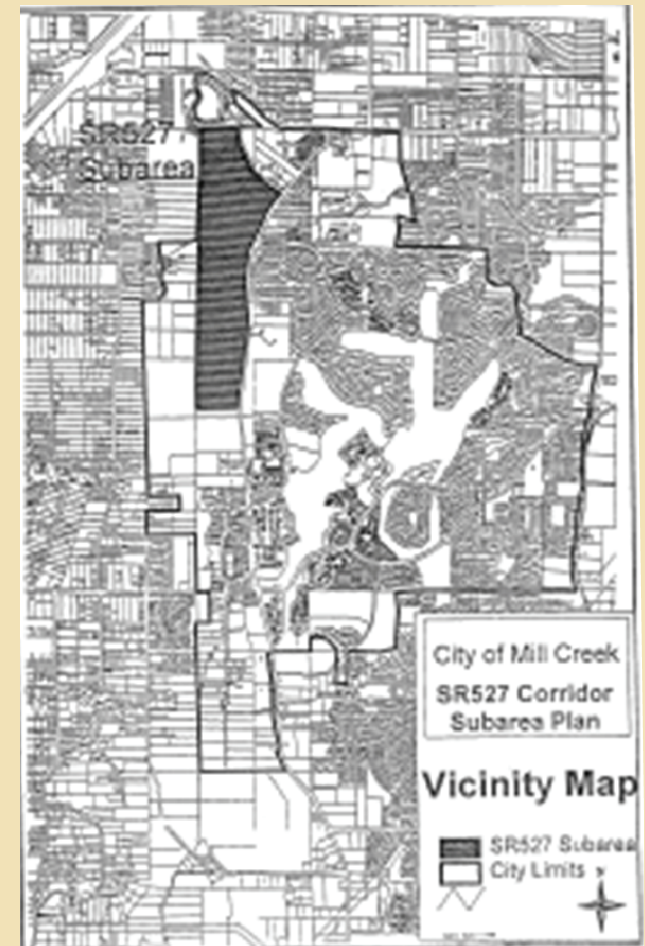
- Certificates of consistency instead of four MDNS and one EIS
- One project was redesigned to be consistent with plan

### *Other Economic Dev. Tools*

- Development of “Town Center” as city’s downtown
- Economic analysis
- Expansion of SR 527 adjacent to planned action area
- \$8.5 million public park

### ■ **CASE OUTCOMES**

- Generated enough population to support build-out of downtown core.
- City was able to work with one of the developers to redesign project to be consistent with planned action.
- Monitored dwelling unit and trip generation thresholds.
- Partnered with developers to create public trail and easement through multiple properties adjoining North Creek.
- Obtained area-wide traffic circulation system that complemented downtown.
- Most significant savings were in permit processing time since critical areas studies were still required.
- Provided the incentive of increased certainty for developers.



# KENT

## Kent Station *Planned Action — 2002*

### **Subarea Characteristics**

- 25 acres in Puget Sound region
- Planned action for mixed-use downtown expansion at light rail station

### **Land-Use Characteristics**

- Commercial: 46%
- Hotel/Conference: 15%
- Multi-family and parking: 33%
- Public: 5%
- 18 downtown redevelopment parcels including brownfield
- Part of Kent Urban Center
- Adjacent to light rail station

### **City Characteristics**

- 88,380 population, 30 sq. miles
- 2,961 persons per sq. mile
- 2,016 jobs per sq. mile
- 60,500 total jobs

### **Subarea Development**

- Private development: Over \$40 million to date
- Three of four phases complete: 685,000 sq. ft. of retail, office and commercial
- Town Square Plaza city park

### **CASE OVERVIEW**

- Phased traffic mitigation triggered by number of afternoon peak hour trips.
- Reduced developer risk by increasing certainty and predictability and reducing appeal risk.
- Public process for planned action was more satisfying to participants.
- Avoided project-level SEPA review

which often frustrates the public due to 1) the number of entitlements that are set in development codes and 2) the comprehensive plan-level SEPA is often too abstract to connect with a person's everyday experience.

- Kent is currently in the process of developing another planned action ordinance for the Midway subarea.

*Mixed-use development  
has helped make Kent  
Station a vibrant part of  
downtown.*





# KENT

## Kent Station Planned Action — 2002

### Private Investment

- Over \$40 million to date

### Cost for Supplemental EIS

- Approximately \$200,000
- Outgrowth of downtown PERF grant

### SEPA Actions

- Reduced time to permit by up to 3 to 4 months
- Planned action consistency review uses standard SEPA checklist
- Transportation mitigation appealed by business

### Other Economic Dev. Tools

- City invested \$25.5 million in former Borden Chemical site
- Downtown revitalization program
- Light rail station
- Adjacent event center construction

### CASE OUTCOMES

- 760 jobs, of which approximately half are full-time.
- Provided greater certainty and consistency for developers, an asset in promoting redevelopment of industrial property.
- Helped to implement downtown revitalization plan by creating an 18-hour-a-day activity center next to rail station, creating an attractive public space, and expanding downtown into unused industrial area.
- City investment in environmental clean-up and infrastructure prior to development paid off in economic benefits.
- Increased tax base.





## Ester Short Subarea Redevelopment Plan

### *Planned Action — 1998*

#### **Subarea Characteristics**

- 32 acres in Portland metro region
- Planned action to stimulate downtown redevelopment
- Expanded from 30 to 130 blocks in 2007

#### **Land-Use Characteristics**

- Older industrial and commercial development
- Significant number of vacant properties and derelict buildings
- City park with older, substandard improvements

#### **City Characteristics**

- 164,500 population, 47 sq. mile city
- 3,472 persons per sq. mile
- 1,681 jobs per sq. mile
- 79,000 total jobs

#### **Subarea Development**

- Seven blocks around park
- Nine major developments of high density housing, office, retail and convention center/hotel
- Commercial: 70% developed
- Residential: 60% developed

#### **CASE OVERVIEW**

- Planned action ordinance contains development standards and mitigation that apply to all projects in the planned urban high-density, mixed-use area.
- Development standards reduce risk to developer investment in redevelopment area.
- Planned action requires a SEPA checklist for items not covered in planned action EIS: archaeology, arborist report, soil contamination and small-scale traffic volume.
- Ninety-day turn around on permits: first development was 60 days.
- Time from first meeting with the city to permit was five months for first project.
- No appeals occurred, planned action did not

allow separate SEPA appeal at project level, avoiding two to three months of additional permit time.

- City lacks financing for planned actions in two other subareas.



*Heritage Place, a mixed-use development across the street from Ester Short Park, was one of the first projects to be built in the planned action area.*

# VANCOUVER

## Ester Short Subarea Redevelopment Plan *Planned Action — 1998*

### *Private Investment*

- \$225 million

### *EIS Cost*

- \$390,000 with staff cost

### *SEPA Actions*

- Non-project EIS and planned action ordinance
- Supplemental EIS in 2007 to expand to include 100 additional downtown blocks
- Developments avoid MDNS and greater time/cost

### *Other Economic Dev. Tools*

- Designated urban renewal district and Redevelopment Authority
- City purchased five-block brewery property and city hall site in area
- Expedited permitting
- Tax and fee abatement/waivers
- Constructed \$18 million park and parking garage

### ■ **CASE OUTCOMES**

- Significant redevelopment, private and public investment in downtown.
- Improved the atmosphere, including public safety, and activity level downtown.
- Increased certainty and predictability for developers.
- Increased tax base.
- Significant tool added to other city economic redevelopment efforts in area.
- Allowed city to be more effective in marketing publicly-purchased property for re-sale to private developers.
- Smaller scale success allowed the city to expand the planned action to include the entire downtown, which covers 4,551 dwelling units, 2.4 million sq. ft. of office, 401,000 sq. ft. of retail, hotel rooms and light manufacturing.



# SPOKANE

## University District Strategic Master Plan *Non-GMA Plan, No SEPA Checklist at Plan Level — 2004*

### Subarea Characteristics

- 770 acres in Inland Empire region
- No SEPA for Strategic Plan extending downtown around WSU and Gonzaga campuses

### Land-Use Characteristics

- Spokane Campus WSU: 7%
- Gonzaga University: 17%
- Older industrial/commercial properties, residential: 75%
- Part of urban center
- Designated to be bisected by light rail line

### City Characteristics

- 205,500 population, 60 sq. mile
- 3,414 persons per sq. mile
- 1,867 jobs per sq. mile
- 112,000 total jobs

### Subarea Development

- 52 projects
- 37 private projects
- 10 Gonzaga projects
- Five WSU projects

### CASE OVERVIEW

- SEPA compliance generally does not add to time-to-permit since it is administered in parallel with the rest of permitting process.
- Required studies are identified prior to application and submitted as part of application process.
- City will be establishing a planned action ordinance for city owned property being redeveloped in downtown area as part of Ecology Integrated Planning Grant for brownfields.
- City is also completing a traffic baseline model which will reduce the number and/or size of traffic study requirements under their traffic impact fee ordinance.

*Redevelopment of the Western Soap Building is a prime candidate for development in the subarea.*





# SPOKANE

## University District Strategic Master Plan *Non-GMA Plan, No SEPA Checklist at Plan Level — 2004*

### **Investment**

- Private development \$25.9 million
- University projects \$205 million

### **Cost**

- Strategic Plan was not an adopted GMA Plan amendment so there was no SEPA checklist

### **SEPA Actions**

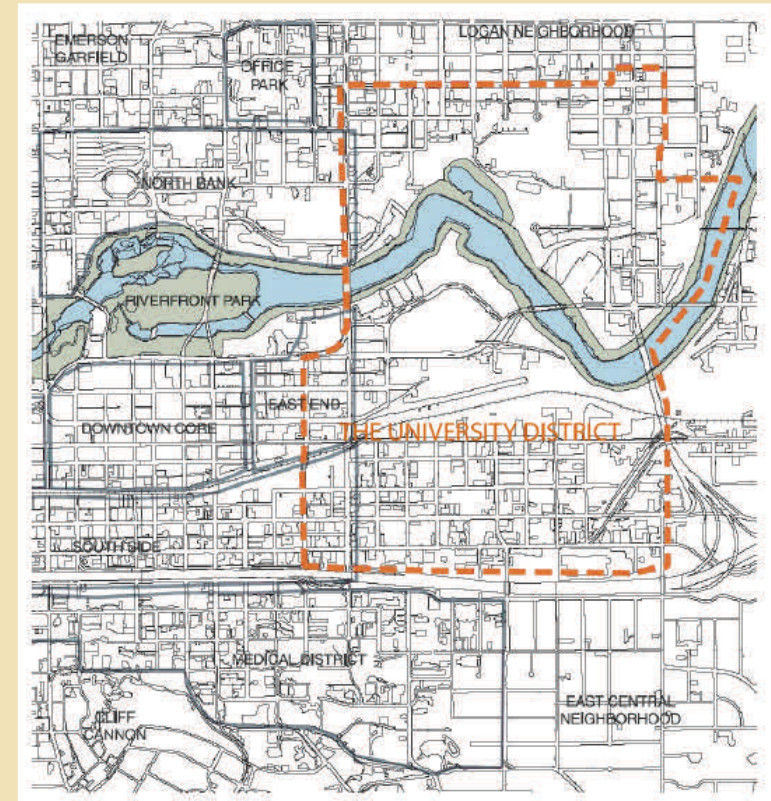
- Only three private development EIS's since mid 1990s
- MDNS required to implement transportation impact program

### **Other Economic Dev. Tools**

- Significant public infrastructure
- Community Redevelopment Financing District
- Pre-application assistance and development code incentives
- City initiated study of urban re-zoning
- Subarea traffic study/model
- Subarea market study
- Subarea development incentives program: tax incentives and lending

### ■ **CASE OUTCOMES**

- Increases in tax base from private development.
- Not-for-profit marketing group formed.
- Attractive package of economic development programs for developers.
- Federal and city funding of infrastructure and incentive programs.
- Much expanded citizen participation process.
- Reduced overall time-to-permit with addition of area-wide traffic studies and mitigation/transportation plan in place.





## Riverfront Subarea Plan

*Non-project Declaration of Non-significance — 2004*

### Subarea Characteristics

- 230 acres in central region
- Declaration of non-significance for plan to redevelop industrial to extend downtown to river

### Land-Use Characteristics

- Public riverfront park and walkway along Columbia River
- Occupied and abandoned industrial uses
- Landfill, sanitary sewer treatment plant, public works shop
- Railroad

### City Characteristics

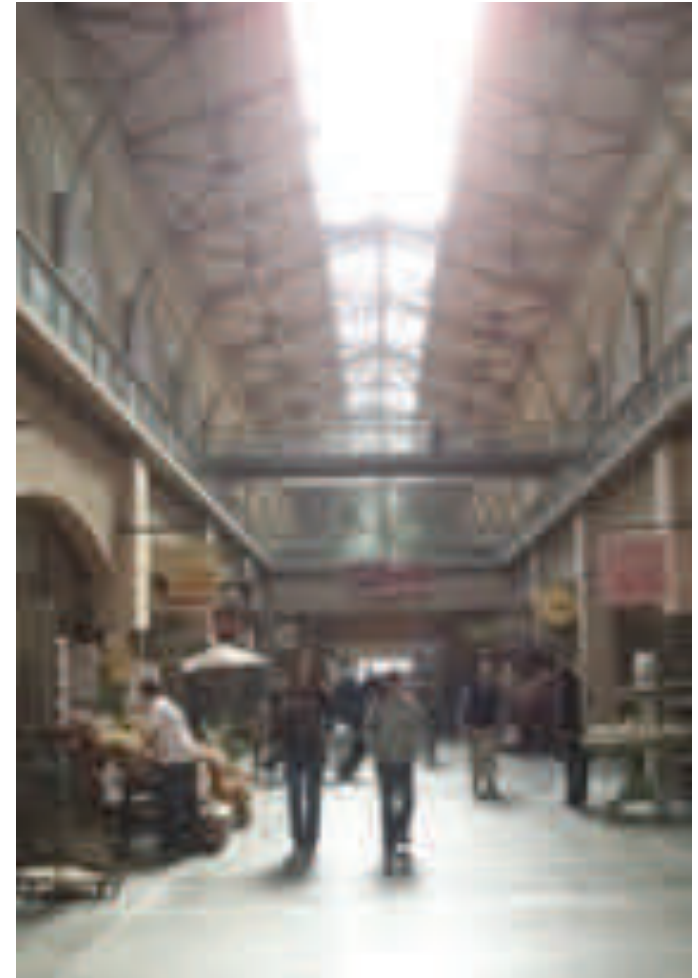
- 30,960 population, 8 sq. mile city
- 3,986 persons per sq. mile
- 2,313 jobs per sq. mile
- 18,500 total jobs

### Subarea Development

- \$18 million public infrastructure and park expansion
- Historic landfill removal, Integrated Planning Grant from Ecology for cleanup
- Three projects

### CASE OVERVIEW

- City capitalized on a non-project EIS and SEIS that were completed for a GMA Comprehensive Plan by adopting predefined development mitigation and development thresholds to reduce use of project-level SEPA.
- Riverfront Subarea Plan had extensive citizen and developer involvement.
- City updates capital facility system plans and monitors use thresholds in order to facilitate effective detailed predefined mitigation conditions.
- City runs SEPA process in parallel with development permit process to reduce overall time-to-permit.
- County completed an additional integrated EIS/subarea plan in the urban growth boundary outside of city limits to assess impacts of various land use pattern alternatives; costs were too expensive for the city, leading to a city-county cooperative effort.



*Concept simulation of the Pybus Market, a joint riverfront project between the city and port.*

#### **Investment**

- 91-unit condo development
- Event center \$52 million
- Port sponsored \$20 million redevelopment of Pybus Market

#### **Subarea Plan DNS Cost**

- \$15,000

#### **SEPA**

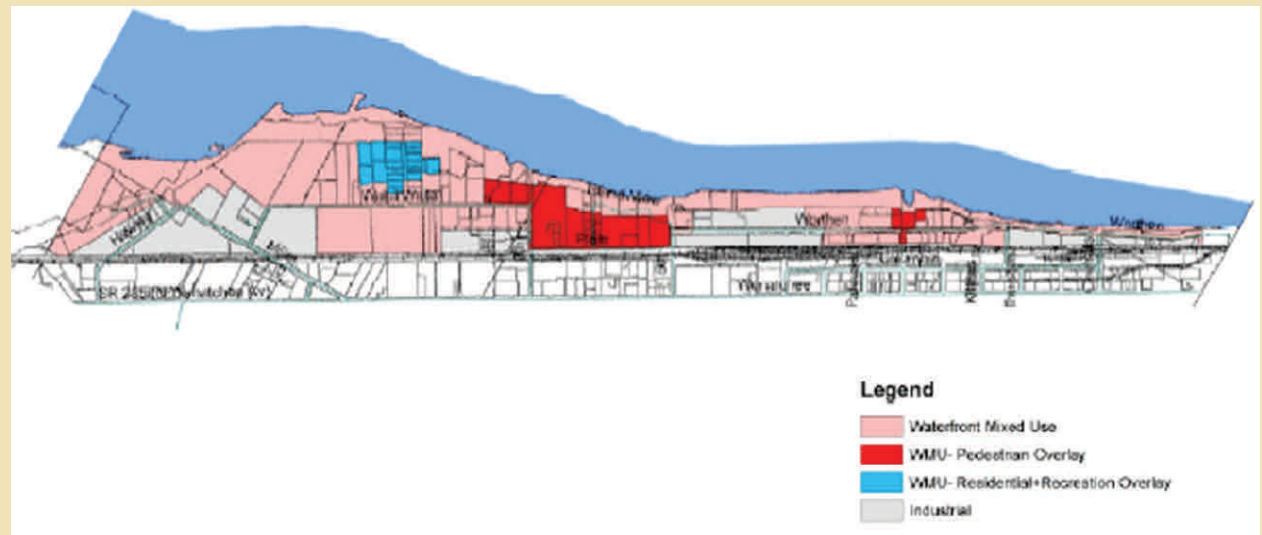
- Non-project declaration of non-significance for sub area plan based on non-project EIS for citywide Comprehensive Plan
- No project MDNS or EISs on private projects since 2003

#### **Other Economic Dev. Tools**

- Developer forum
- Expedited permitting
- Significant park and street public infrastructure investment
- Local Improvement District
- Local Revitalization Fin. District
- Event Center construction
- Removed or mitigated riverfront city waste and shop uses

#### ■ **CASE OUTCOMES**

- Construction of Event Center, which created 150 jobs.
- Condo development prior to recession.
- Interest from regional developers as economy improves.
- Partnership with Port for Market redevelopment project.
- Partnership with Public Utility District and Port for waterfront park improvements.
- Partnership with state for Revitalization Financing District and brownfield clean up.



# For More Information

Growth Management Services

State Environmental  
Policy Act Case Studies  
Appendix

July 2010



## APPENDIX

Additional information:

- Study Scope and Community Selection Criteria
- Structured Interview Questionnaire
- Individual Case Study Summaries
- Case Study Community Planning/SEPA Documentation

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