



City of Seattle

Gregory J Nickels, Mayor

Department of Planning and Development

Diane Sugimura, Director

**CITY OF SEATTLE
ANALYSIS, RECOMMENDATION AND DETERMINATION OF
THE DIRECTOR OF THE DEPARTMENT OF PLANNING AND DEVELOPMENT**

Application Number: 3007521
Applicant Name: Seattle Children's Hospital
Address of Proposal: 4800 Sand Point Way NE

SUMMARY OF PROPOSED ACTION

City Council Action: Approval of a new Major Institution Master Plan for Seattle Children's Hospital.

The following approvals are required:

Council action – Major Institution Master Plan – SMC Chapter [23.69](#)

Council action – Rezone and designation of a Major Institution Overlay – SMC Chapter [23.34](#) (to MIO 37, 50, 65, 70, 90 160)

SEPA – Environmental Determination – SMC Chapter [25.05](#).

SEPA DETERMINATIONS: Exempt DNS MDNS EIS

DNS with conditions

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

INTRODUCTION

This report is the Director's analysis and recommendation to the City Council on the Seattle Children's Hospital Final Major Institution Master Plan (Master Plan). The report considers the recommendations of the Children's Citizens Advisory Committee (CAC), the environmental analysis and comments in the Final Environmental Impact Statement (EIS), and the applicable portions of the adopted policies and regulations of the Seattle Municipal Code (SMC) Title 23, Land Use Policies and Codes. The Department of Planning and Development (DPD) is the SEPA lead agency.

The Director recommends approval of the Final Master Plan subject to the conditions outlined in Section VII.

This report is divided into seven sections.

- ◆ **Section I** (page 2) includes background information on the project, including application history, a description of the project site, the CAC and public comment.
- ◆ **Section II** (page 7) identifies the general purpose, vision and goals of Children's Final Master Plan.
- ◆ **Section III** (page 9) discusses the Final Master Plan's program elements.
- ◆ **Section IV** (page 15) analyzes the Final Master Plan's compliance with major institution policies and codes, including a comprehensive analysis of impacts and recommended mitigation pursuant to SMC [23.69.032 E](#).
- ◆ **Section V** (page 45) analyzes the Final Master Plan's compliance with applicable rezone criteria.
- ◆ **Section VI** (page 62) summarizes the SEPA analysis contained in the FEIS, and refers to applicable mitigations
- ◆ **Section VII** (page 74) summarizes the various analyses and lists the conditions recommended by the Director.

I. BACKGROUND INFORMATION

Seattle Children's Hospital (Children's) is located on an approximately 21.7-acre site in northeast Seattle at 4800 Sand Point Way NE. Children's moved to the site in 1953. Existing buildings at the campus total approximately 900,000 square feet.

Children's has applied to the Department of Planning and Development (DPD) for a new Major Institution Master Plan. If approved, this Master Plan will replace Children's existing Master Plan.

Children's has requested to enlarge its existing Major Institution Overlay (MIO) boundary to include two new areas as shown on Figure 1: Area A is the site of the existing Laurelon Terrace Condominiums. Area B is the site of the existing Hartmann medical clinic building, located at 4561 Sand Point Way NE. Children's owns the Hartmann office building site and has an option to purchase the entire Laurelon Terrace Condominium site.

Total new planned (near-term) and potential (long-term) construction would result in a net increase of approximately 1.5 million square feet, following demolition of selected buildings on the campus. The total square footage on the campus following construction of both planned and potential projects would be approximately 2.4 million square feet.

The planned and potential projects include a new Emergency Department, the addition of 250 to 350 beds, Diagnostic and Therapeutic facilities, clinic space, offices, physical/plant operations, and parking.



Figure 1. Proposed expanded MIMP boundaries

The Master Plan would continue to provide parking in existing established parking lots and new parking facilities on the campus that are accessory to both planned and potential buildings. In addition to the existing 1,462 parking spaces located in garages and surface parking lots, the Plan proposes to increase parking by 1,383 new spaces on campus and 255 spaces at Hartmann for a total of 3,100 spaces. Children's intends to lease 500 spaces off-campus, as necessary to mitigate future transportation impacts.

Children's defines the potential for four phases of development on Figure 47 (Master Plan page 67). The FEIS provides additional information on pages 2-22 through 2-30, summarized below. Children's has designated its Phase 1 Bed Unit North and Emergency Department facilities as a planned physical development. Phase 1 would straddle the Laurelton Terrace and existing campus property. Children's designates Phases 2, 3 and 4 as potential physical development. See Section III below for more phasing information.

A. Street Vacation

In addition to the construction of the projects outlined above, the applicant is proposing the vacation of two streets: 41st Ave NE and NE 46th St between Sand Point Way NE and 40th Ave NE. These streets make up the access internal to the Laurelton Terrace condominiums. Children's has submitted its petition to vacate the streets, to allow for the anticipated hospital expansion, in accordance with SMC 15.62 and the [street vacation policies](#). While the street vacation process necessarily follows any MIMP review and approval, and while it adheres to its own procedures and policies, DPD anticipates both decisions will include common elements (such as site considerations, impacts, and public benefit), and that the two analyses will likely include considerable overlap.

B. Major Institution Overlay/Rezone

Children's proposes to expand the Major Institution Overlay (MIO) to include the Laurelton Terrace condominium site located adjacent to Children's, and the Hartmann building site located across Sand Point Way at 4561 Sand Point Way NE. The Laurelton Terrace site is bounded by Children's to the east, NE 45th St to the south, 40th Ave NE to the west and Sand Point Way NE to the northwest. Children's proposes an MIO 65 for the Hartmann site, MIO 160, 50 and 37 for the Laurelton Terrace site, and an increase in MIO height limits on the existing campus from the existing MIO 37, 50, 70, and 90 to MIO 37, 50, 65, 70, 90, and 160.

The following approvals are required as part of the Master Plan:

- Adoption of a new Major Institution Master Plan (SMC Chapter [23.69](#))
- Rezone (SMC [23.34](#), including designation of a Major Institutional Overlay)
- SEPA Review (SMC [25.05](#))

C. Procedural Milestones

Children's submitted a Notice of Intent to prepare a new Master Plan to the Department of Planning and Development on April 18, 2007. Children's began to work with the Department of Neighborhoods in March 2007 to assist with the formation of a Citizens Advisory Committee. The formation and first meeting of the CAC occurred July 18, 2007. Children's has submitted the following documents to DPD for review:

- A Concept Plan, submitted July 16, 2007
- A Preliminary Master Plan, submitted January 7, 2008
- A Draft Master Plan, submitted June 9, 2008
- A Preliminary Final Master Plan, submitted in August 2008
- A Final Master Plan, submitted on October 29, 2008 for publication on November 10, 2008

DPD issued a public notice of scoping on August 6, 2007, and held a public scoping meeting on August 23, 2007 in the Wright Auditorium at Children's. The 30-day comment period ended on September 5, 2007, and DPD extended the comment period to September 17, 2007. On June 9, 2008, DPD issued a Draft EIS. The issuance of the Draft EIS preceded a 45-day agency and public review period which ended on July 25, 2008. During the review period, DPD conducted a public hearing on the Draft EIS and the Draft Master Plan at 6:00 pm on July 10, 2008 in the Northwest Horticulture Society Hall at the Urban Horticulture Center.

D. Prior Approvals

City Council adopted Children's Major Institution Master Plan by [Ordinance #117319](#) in September 1994, and that plan remains in effect today. DPD (then the Department of Construction and Land Use – DCLU) prepared the Draft and Final EIS for public review and comment in October 1992 and June 1993, respectively. DPD prepared subsequent EIS addenda for specific phases of development. Those addenda included:

- EIS Addendum – *A and B-Wing Bed Renovations* (DCLU 1996)
- EIS Addendum – *Proposed Parking Garage* (DCLU 2001)
- EIS Addendum – *Proposed Inpatient Wing* (DCLU 2002)
- EIS Addendum – *Ambulatory Care Building* (DCLU 2003a)
- EIS Addendum – *Emergency Department/Operating Room* (DCLU 2003b) – cancelled

E. Site Description

Children's campus contains one primary access, Penny Drive, via Sand Point Way NE. Most of the building area is located south of Penny Drive, with two parking garages: Giraffe Garage north of Penny Drive and Whale Garage on the eastern portion of the site. Three public pedestrian entrances to the hospital complex include: Inpatient Entrance (Giraffe, northwest corner of the building), Emergency Entrance (north-central portion of the building), and Whale Entrance (east side of the building). A fourth entrance for employees is the Airplane Entrance (northeast corner of the building).

The existing MIO contains four height districts: 37', 50', 70' and 90'. The site generally slopes downward from northeast to southwest. The existing setbacks are approximately 20' on the north, 40' on the west and a portion of the east, and 75' on the south and a portion of the east. Many of the setbacks are heavily landscaped to provide a vegetated screen between the campus and surrounding neighborhood.

In addition to the MIO height limits, the Seattle City Council set further conditions on the heights of two buildings on the campus as part of its review of the master plan in 1993. The Janet Sinegal Patient Care Building is located in the MIO 90 area of the campus, and Council limited its height to 74' with an additional 15' allowed for mechanical equipment (a total of 89' with mechanical). The Melinda French Gates Ambulatory Care Building is located in an MIO 70 area of the campus, and Council limited portions of this building to heights of 54.5'.

F. Vicinity Description

Children's is located in Northeast Seattle adjacent to the Laurelhurst and Bryant neighborhoods, and is 0.5 mile from the Ravenna portion of the University Community Urban Center. The surrounding neighborhood consists primarily of single family homes, and includes a mixture of multi-family residences, retail/commercial businesses, institutions, and recreational opportunities, such as the Burke-Gilman Trail, Laurelhurst Playfield and Magnuson Park. The retail/commercial businesses are located primarily west of Children's along Sand Point Way NE, and include University Village, restaurants and shops, an exercise gym, office space, and the Virginia Mason Pediatric Clinic. There are several institutions in the area, including the Children's 70th and Sand Point Way facility, churches, Talaris Research and Conference Center, Laurelhurst Elementary School, and Villa Academy. The nearest Major Institution in the area, the University of Washington, is less than a mile to the west.

G. Public Comment and Agency Comment

DPD solicited public input during the scoping of environmental analysis in August and September 2007, and held a public scoping meeting on August 23, 2007. DPD received written comments during the public review of the Draft EIS from June 9 through July 25, 2008 (45 days) and court reporters transcribed comments from the public hearing on July 10, 2008. Members of the public and affected agencies submitted a total of approximately 600 written comments, and 66 individuals provided oral comments at the hearing. All CAC meetings were open to the public, appeared to be well publicized by DON staff, and were generally well attended by neighbors and interested citizens. Each CAC meeting provided opportunity for public comment.

H. Citizens Advisory Committee

The CAC met regularly throughout the planning process. From summer 2007 through late 2008, the CAC held roughly 20 meetings, approximately once per month. CAC input affected the development of the Draft and Final Master Plan and EIS, as Children's modified its initial concept plan in response to CAC comments and concerns. Subsequently, in response to the CAC's formal comments on the Draft Master Plan and Draft EIS, Children's made substantial changes to the Final Master Plan, and DPD updated its Final EIS (see Appendix E of the Final EIS for the CAC's comment letter). The Final Master Plan details changes (Section 3, Alternatives Considered). The CAC delivered a status report to DPD on January 9, 2009, attached as "Attachment A".¹

I. Changes to Master Plan in Response to Public Comments

Children's selected Alternative 7R Expanded Boundary, Early Laurelon Development as its Final Master Plan. In selecting Alternative 7R, Children's made the following changes to the Concept and Draft Master Plans in response to comments from the public, the CAC, DPD, and Seattle Department of Transportation (SDOT).

- The Final Master Plan locates the majority of new development on the Laurelon Terrace site.
- It reduces the maximum proposed building heights from 240' to 160', and proposes further conditioning to heights of 140'.
- It reduces the overall proposed height of the new facilities to an elevation that is lower or similar to the highest building on the existing campus.
- It eliminates the need for entrances on neighborhood streets (NE 45th St and NE 50th St).
- It reduces the bulk and scale of proposed facilities through transitional heights and building setbacks.
- It reduces the impact of proposed construction on hospital operations and the neighborhood through phasing considerations.

¹ The CAC status report, in turn, includes attached meeting notes from the Committee's first 18 meetings. These notes are available from DPD or DON upon request.

- It proposes community gathering places and green space, including access to rooftop gardens and courtyards.
- It creates a transit hub on both sides of Sand Point way NE, available to the hospital community and the wider neighborhood.
- As part of redeveloping the Hartmann property, Children's proposes to provide access to the Burke-Gilman Trail and to preserve the grove of redwood trees near the trail.
- The Master plan reduces the proposed height of new development at the Hartmann property from 105' to 65'.
- It consolidates additional site access off 40th Ave NE

II. GOALS, NEEDS AND OBJECTIVES

A. Purpose of the Major Institution Master Plan

City Council adopted Children's Major Institution Master Plan by [Ordinance #117319](#) in September 1994, and it remains in effect today. Children's has completed most of the Plan's approved development, except for approximately 54,000 gross square feet of unbuilt area.

The Master Plan proposal and alternatives are meant to: 1) reflect Children's programmatic needs; 2) address community input provided during public meetings held in May and June 2007 on the Master Plan, during EIS scoping (August – October 2007), and during the comment period on the Draft EIS (June 9 – July 25, 2008); and 3) to respond to input from the CAC's public meetings.

B. Children's Mission

Children's stated mission is the following:

"We believe all children have unique needs and should grow up without illness or injury. With the support of the community and through our spirit of inquiry, we will prevent, treat, and eliminate pediatric disease."

"Children's is committed to improving access to quality pediatric health care".

C. Healthcare Issues and Need

Children's describes health care needs based on national trends, regional population and facility capacity. Nationally, the need for children's health care is growing. A recent study by the Child Health Corporation of America, a national association of free-standing pediatric hospitals, shows that the inpatient demand for pediatric services overall is estimated to grow 3.1 percent annually through 2010 (CHCA 2007). Causes include:

- Increased severity of pediatric illnesses
- Increases in prematurity and low birth weight

- Increased prevalence of chronic conditions, such as diabetes and developmental disorders
- Growing prevalence of obesity, which complicates care
- More patients surviving childhood diseases and utilizing health care services longer
- Single-bed rooms needed to control the potential spread of infectious diseases

The Puget Sound Regional Council estimates the population of central Puget Sound to have reached 3,524,000 in 2006, an increase of 2 million people since 1960. Natural increase (births minus deaths) accounted for 44% of the region's growth at an average of 19,100 persons per year. In addition, there was a 56% increase in population due to net migrations (people moving into the region minus people moving out) ([Puget Sound Regional Council 2007](#)).

US Census data shows that the average family size has risen slightly in King County, primarily in 5+ person households. The increase is attributable, in part, to brisk growth in the foreign-born population and subpopulations with larger average family sizes. The region's foreign-born population grew by 89% during the 1990s, compared to 19% for the general population, with over two-thirds of the growth occurring in King County (Puget Sound Regional Council 2007).

Children's reports that it is experiencing the effects of local and regional population growth. Since the Washington State Department of Health issued Children's last Certificate of Need in 2001 and determined the number of permissible inpatient beds, the hospital has been directly affected by increasing patient volumes and intensified levels of care.

The State's Certificate of Need process is intended to promote, maintain, and assure the health of all citizens in the state, provide access to health services, health expertise and health facilities, avoid unnecessary duplication and control increases in costs. To gain approval, an applicant must demonstrate that its proposed project is: needed, financially viable, can be operated in conformance with certain quality assurances, and contains costs. In order to obtain a Certificate of Need, an applicant must provide the state with: capital costs refined so as to be within +/-12% of actual at completion; project timeline (project must be commenced within two years of approval or the Certificate of Need is forfeited); architectural drawings; demonstration of site control; and documentation that the proposed site may be used for the proposed project and is appropriately zoned. Because of the requirement that the project construction must commence within two years of approval and the site approvals have been obtained, Children's cannot apply for a Certificate of Need until it has obtained approval of its Major Institution Master Plan.

As a national standard of care, the recommended average inpatient occupancy level is 65%, because pediatric illness is unpredictable (patients with chronic, life-long diseases are more likely to have unplanned admissions) and patients must be admitted to units appropriate to their age and acuity level. Children's reports that it currently operates at 75% occupancy or above, and at times it is at full capacity.

Children's has projected the following total bed need, all in single-bed rooms:

- Year 2012 336 beds
- Year 2017 408 beds
- Year 2019 460 beds
- Year 2024 604 beds

D. Master Plan Objectives

The primary Children's Master Plan objectives are summarized as follows:

Meet essential patient care needs:

- provide patients and families throughout the region with easy access to specialty care
- increase the number of beds due to the increased acuity and demand from population growth
- serve children with serious chronic illnesses that are living longer
- provide single-bed rooms needed to control the potential spread of infectious diseases
- provide the technology, equipment and staff required to care for critically ill children

Be prepared to respond in the future:

- develop the next generation of health care leaders through Children's teaching programs
- respond to the increase and changes in service volumes
- remain flexible to respond to the change in nature and prevalence of pediatric diseases

Phase development based on constructability and funding:

- projects are projected for 20+ years
- the Master Plan is long range and must be flexible to the healthcare trends
- construction that is sensitive to the community
- phased development

Enhance the community connection and environment:

- provide public open space on campus
- create a transit hub on both sides of Sand Point Way NE
- provide garden edges
- establish goals related to energy, waste, potable water, green house gas emission, vehicle miles traveled and surface run off and following the Green Guide for Health Care principles

III. MASTER PLAN ELEMENTS

A. Major Institution Overlay District

The proposed MIO District would be irregularly shaped and would include the existing Children's campus, the Laurelon Terrace condominium site (Area A – see Figure 1), and the Hartmann property across Sand Point Way NE from Children's at 40th Ave NE (Area B). The main campus would be bounded by NE 45th St to the south, 40th Ave NE and Sand Point Way

NE to the west, NE 50th St to the north, and 44th and 45th Aves NE to the east. The Hartmann property is located at 4561 Sand Point Way NE and is bounded on the west by the Burke-Gilman Trail right-of-way and on the east by Sand Point Way NE. To the south is a NC2-zoned property occupied by an eight -story condominium (Laurelhurst) substantially taller than its zoned height limit. To the north is a two-story condominium. Children's owns all property within the existing MIO boundary and Hartmann, and has an option to purchase Laurelon Terrace.

Children's proposes an MIO 65 for the Hartmann site, MIO 160, 50 and 37 for the Laurelon Terrace site, and an increase in MIO height limits on the existing campus from the existing MIO 37, 50, 70, and 90 to MIO 37, 50, 65, 70, 90, and 160. The underlying zone for the Laurelon Terrace and Hartmann properties is lowrise residential (L3). The areas surrounding the campus are zoned single family residential and lowrise residential (LDT, L2 and L3), and Neighborhood Commercial 2 (NC2).

B. Development Program

Children's existing campus is approximately 21.7 acres with an approximate total building area of 900,000 square feet.

The Master Plan proposes both planned and potential development consistent with Major Institution code requirements (SMC [23.69.030](#)). Planned Development includes projects which are more definite and would likely occur in the near future. Potential Development includes projects that are less definite and may occur in the long-term future, although timing could change. Children's has stated that timing for planned and potential developments are estimates, and are subject to change.

Planned Development

The Children's Master Plan Planned Development includes Phase 1:

1. Demolition and removal of the existing Laurelon Terrace buildings (approximately 110,000 square feet);
2. Excavation and removal of approximately 72,000 cubic yards of soil; and
3. Construction of a new Emergency Department, Bed Units 1 and 2, and Diagnostic and Treatment located on the Laurelon Terrace site (including ancillary, mechanical and general plant) expanding the hospital to approximately 1,492,000 square feet.

Children's has proposed to meet its Year 2017 bed need of 408 beds within the Phase 1 development. Children's currently has 197 rooms, with 53 rooms holding two beds each, to provide the current supply of 250 beds. Children's would convert these double-bed units to single-bed units. Other existing bed units would require updating to new bed standards, resulting in a loss in total number of existing beds. The new construction would require demolition of some existing patient bed rooms in order to provide connections between the new and old bed units. These changes would leave Children's with 144 single-bed rooms; the construction of 264 new beds would bring the total bed count to 408.

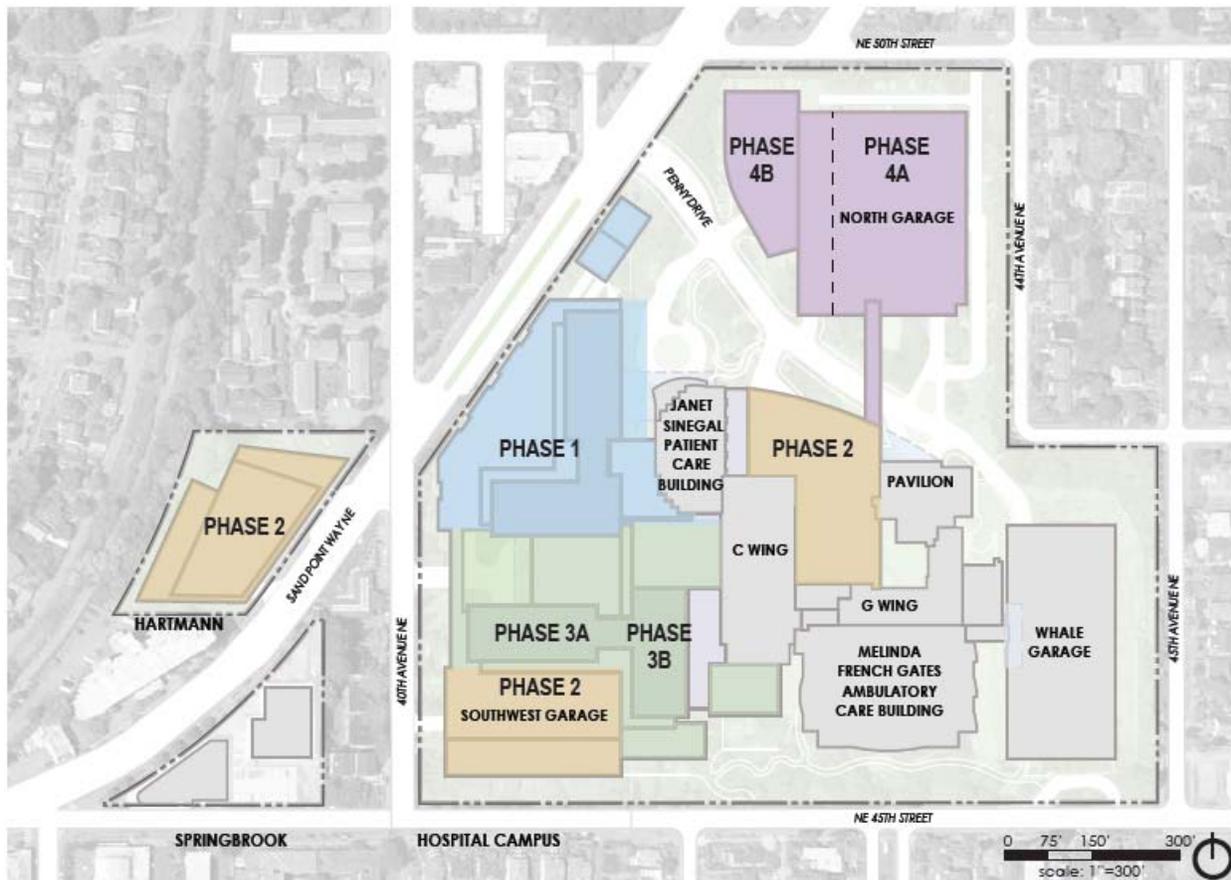


Figure 2. Proposed phasing (Final Master Plan pg 67)

According to Children's there are two key considerations that affect how many beds are located on a floor. Every patient room must be located on an exterior wall in order to have a window, a Department of Health requirement. Patient bed units must be designed in clusters of 24, 36 or 48 beds in order to maintain the appropriate ratio and access between staff and patients. Children's has proposed using the 48-bed clusters to gain maximum efficiency on each floor in terms of use of staff and access to equipment, and to keep the number of needed floors as low as possible. A 48-bed cluster would require a floor plate of approximately 45,800 square feet.

As described above, Children's would need an additional 264 new beds by 2017 (total bed need of 408 less supply of 144). At 48 beds-per-floor, this would result in 5.5 floors of new construction for the bed units alone.

In order to achieve its needed 408 beds by 2017, Children's has proposed the following construction in Phase 1:

| | | |
|---|---|----------------|
| 5.5 stories of beds at 48 beds per floor (264 beds) | = | 258,800 sq.ft. |
| 1 story for Emergency Department | = | 93,527 sq.ft. |
| 2 stories of Diagnostic & Testing | = | 176,343 sq.ft. |
| 1 story of Mechanical | = | 49,400 sq.ft. |

| | | |
|---|---|----------------------|
| Mechanical Penthouse | = | <u>14,000 sq.ft.</u> |
| Total Phase 1 area for 9.5 stories | | 592,070 sq.ft. |
| Typical floor-to-floor height of 15' (some floors below or partially below grade). | = | 142.5' |

Children's has proposed limiting the height of the Phase 1 building to 140', exclusive of a mechanical penthouse.

Potential Development

Phase 2 construction would include the Hartmann Building and Diagnostic and Treatment, and would expand the hospital (including ancillary, mechanical and general plant) to a total of approximately 1,754,000 square feet. Phase 2 also includes a 255-stall garage on the Hartmann site and a 1,100-stall staff garage on the Laurel Terrace site. The Plan proposes to demolish approximately 65,000 square feet of existing buildings in Phase 2.

Phase 3 construction would include Bed Units 3 and 4 and Diagnostic and Treatment, and would expand the hospital (including ancillary, mechanical and general plant) to a total of approximately 2,210,000 square feet. Phase 3 excavation would involve approximately 98,000 cubic yards of soil to be removed from the site.

Phase 4 would include the demolition of the Giraffe Garage, construction of the North Garage in two stages, and offices, and would expand the hospital (including ancillary, mechanical and general plant) to a total of approximately 2,357,000 square feet. Phase 4 excavation would involve approximately 172,000 cubic yards of soil would to be removed from the site.

Master Plan Term and Phasing

Figure 2 depicts the Final Master Plan's proposed phases. Children's proposes Phase 1 (planned development) to occur between first quarter, 2010 and fourth quarter, 2012. Future phases are potential development, and their timeframes are subject to increased variability, reflecting future uncertainties such as funding and demand. Children's projects Phases 2, 3 and 4 to occur as follows:

- Phase 2 - fourth quarter, 2013 to fourth quarter, 2016
- Subphase 3A - second quarter, 2017 to fourth quarter, 2019
- Subphase 3B - first quarter, 2022 to fourth quarter, 2024
- Phase 4 - second quarter, 2025 to fourth quarter, 2027

Street Vacations

Alternative 7R would require the vacation of 41st Ave NE and NE 46th St between Sand Point Way NE and 40th Ave NE. These streets currently make up the access internal to the Laurelton Terrace condominiums. Vacation of these streets would allow for the anticipated expansion.

C. Development Standards

The Final Master Plan discusses Children's proposed development standards on pages 75-91. Consistent with SMC [23.69.030](#), the development standards would modify and supersede the underlying zoning standards. Specifically, Children's proposes to replace the underlying single family residential and L3 zoning development standards with the Master Plan development standards pursuant to the major institutions code (SMC [23.69](#)).

Setbacks

On the east, the Master Plan identifies a setback of 75' for the entire property line. On the south, it proposes to maintain the existing 75' setback for the full length of the current campus, and to establish a 40' setback along the south side of the Laurelton Terrace site. Along the north boundary, the plan would increase the existing 20' setback to 40' for the boundary's western one-third, and 75' for its eastern two-thirds. On the west side of the expanded campus along 40th Ave NE, the Master Plan identifies a 20' setback. For the western boundary along Sand Point Way NE from 40th Ave NE to Penny Drive, Children's proposes a 10' setback.

On the Hartmann site, the plan identifies setbacks of 20', excepting a proposed setback area at the northern corner, approximately 60' by 80', to protect the existing grove of redwood trees.

Height

The proposed height limit of Area A (Laurelton Terrace) is 160' for the majority of the site, with a portion identified as MIO 50 in alignment with the MIO 50 on the adjacent campus, and MIO 37 along the southern boundary. Existing MIO heights on the current campus range from MIO 37 on the north to MIO 70, MIO 90, MIO 70 and then MIO 50 on the south. Children's proposes to increase these MIOs to MIO 65 on the north, MIO 90, MIO 160, and MIO 50 on the south.

The proposed height limit of Area B (Hartmann property) is 65'.

Lot Coverage

Children's proposes an institutional lot coverage limit of 51%.

Landscaping, Open Space, and Pedestrian Circulation

Children's proposes in the Final Master Plan to create community gathering places and green space, including access to rooftop gardens and courtyards (page 56). On page 27, Children's has defined the character of the future campus by its appearance from public streets at the edges, and has proposed two edge treatments, "garden edges" where it plans landscaped buffers, and "street

frontage edges” where buildings meet the street property line. Children’s proposes to landscape and maintain both edge types, to maintain and to improve the visual quality of the streetscape, to buffer the visual impact of buildings and parking lots, to connect diverse architecture and land uses, and to promote attractive roadways and accommodate community activities around the campus (page 82 of the Final Master Plan).

As a minimum requirement for open space, the Final Master Plan identifies 41% across the entire proposed MIO, including the existing campus, the Laurelton property, and the Hartmann property. 41% is roughly equivalent to 12.9 acres.

The proposed Master Plan provides for pedestrian and bicycle access on 40th Ave NE and Sand Point Way NE. Children’s would consolidate access between the proposed North Garage and the hospital at two locations: where Helen Lane is realigned, and at the new clinical entry in front of the Pavilion. (See Figure 55 on page 105 of the Master Plan.) Children’s would provide ADA-compliant crossings of Penny Drive at these locations, and it may develop elevated walkways and tunnels. Children’s would design pedestrian pathways to make it easier for neighbors to access and, where appropriate, to cross the campus.

Parking

Children’s proposes that parking locations and access on campus remain at Penny Drive. It would create new parking on the Laurelton Terrace site, with two new access points from 40th Ave NE. It would consolidate the two existing access points on the Hartmann property to a single access point, and would move parking to the rear of the site. DPD does not anticipate maximum on-campus parking to exceed 3,100 in the long term (20+ years).

D. Transportation Management Program

The Final Master plan gives details of the proposed TMP on pages 93-108 of the Final Master Plan and in Section 3.10.10.2 and Appendix D of the Final EIS. The proposed enhanced TMP is a significantly modified continuation of the current TMP. The plan describes required details consistent with the major institution code, including the intent, location, authority, goals, HOV incentive, program elements, participants’ responsibility, evaluation criteria and procedures, definitions and background details. The TMP is consistent with DPD Director’s Rule [14-2002](#).

E. Phasing and EIS Alternatives

The Master Plan proposes project phasing, dependent on funding and need. The Master Plan describes growth phases generally: specific phasing timelines and scopes may shift somewhat.. The Master Plan would remain in place until Children’s completes the Plan’s scope and constructs the allowed developable square footage.

The Final EIS includes six alternatives:

- No Build
- South Campus Expansion (Alternative 3),

- Modified North Campus Expansion (Alternative 6),
- Expanded Boundary, Early Laurelon Development (Alternative 7),
- Revised Expanded Boundary, Early Laurelon Development (Alternative 7R), and
- Early Laurelon Development without Hartmann (Alternative 8).

Children's has selected Alternative 7R as its Final Master Plan.

IV. ANALYSIS – MAJOR INSTITUTION MASTER PLAN

This section shows in **bold** the requirements of the Director's Report and recommendation on the Final Master Plan pursuant to SMC [23.69.032 E](#). Analysis follows each criterion, and relies upon all sources of information developed as part of the referenced code requirement, including both the Final Master Plan and Final EIS.

E. Draft Report and Recommendation of the Director

E1. Within five (5) weeks of the publication of the final master plan and EIS, the Director shall prepare a draft report on the application for a master plan as provided in Section [23.76.050](#), Report of the Director.

DPD published its notice of availability of the Final Master Plan and EIS on November 10, 2008. DPD completed this draft and submitted it to the CAC on December 9, 2008, within five weeks of publication of the Final Master Plan and EIS.

E2. In the Director's Report, a determination shall be made whether the planned development and changes of the Major Institution are consistent with the purpose and intent of this chapter, and represent a reasonable balance of the public benefits of development and change with the need to maintain livability and vitality of adjacent neighborhoods.

The planned development and changes of the Major Institution, with the Director's recommendations, are consistent with the City's Major Institution Policies and Land Use Element of the Comprehensive Plan. Provided that the proposed Final Master Plan is appropriately mitigated, approval would foster a reasonable balance of the public benefits of development and change with the need to maintain livability and vitality of adjacent neighborhoods. This report summarizes mitigation in the form of recommended conditions to be included in approval of the Final Master Plan.

Consideration shall be given to:

- a. The reasons for institutional growth and change, the public benefits resulting from the planned new facilities and services, and the way in which the proposed development will serve the public purpose mission of the major institution; and**

Children's has designed its proposed growth to reduce and remove impediments in its physical plant that limit its ability to meet its mission. Currently, Children's has 250 beds within 197 rooms (53 double-occupancy rooms). To meet its projected need, Children's plans to add 250 to 350 beds over the next 20 years, bringing the total bed count to approximately 500-600.

Children's projects that the following beds will be needed within the next ten years:

- Year 2012 336 beds
- Year 2017 408 beds
- Year 2019 460 beds

Children's stated mission:

We believe all children have unique needs and should grow up without illness or injury. With the support of the community and through our spirit of inquiry, we will prevent, treat and eliminate pediatric disease.

As its public benefit, Children's provides access to unique pediatric specialty care to the children of Seattle, the state of Washington, and the region.

Children's has completed almost all of the development allowed under its existing Master Plan, with the exception of approximately 54,000 square feet. It projects a need for about 1.5 million square feet more than their current plant. The area limits imposed in the existing Master Plan restrict Children's ability to grow in a reasonable way through the provision of additional hospital and clinic facilities. The Master Plan directs growth and change at the institution by expanding the physical campus and defining generally the future facility improvements. In order to achieve Children's mission, the Major Institution Master Plan process has focused on alternatives that either increase height limits on the existing campus or expand the campus.

The Final Master plan contains detailed information about Children's mission, its strategic plan, the institution's characterization of its public benefits, and a rationale for how it must grow in response to increasing needs for pediatric specialty care (see pages 7-10, 13-15 and 73). Children's receives more than 200,000 patient visits each year. Children's states that it is committed to serving all children, regardless of ability to pay. To meet this commitment, Children's provided \$65.4 million of uncompensated and under-compensated care in 2007 for children whose families lacked the ability to pay, a 57% increase over the previous year. It expects this figure to climb to nearly \$80 million in 2008, representing a further benefit to the community at large. The Master Plan predicts future patient visits will increase over its term, reflecting population trends, the increased lifespan of children with serious health problems, and the nature and prevalence of pediatric diseases.

In addition to the identified public benefits inherent to Children's core mission, this analysis considers other public benefits related to the proposed expansion and adopted in the Final Master Plan. These include enhanced Transportation Management Program measures (such as a neighborhood-oriented transit center and shuttle system), infrastructure improvements (such as improvements to traffic operations, pedestrian and bicycle amenities), housing replacement and compensation to existing Laurelon Terrace residents at more than fair market value. DPD considers this package of identified benefits to be integral to the proposed expansion, addressing public benefits relevant to both the City's major institution policies and street vacation policies.

b. The extent to which the growth and change will significantly harm the livability and vitality of the surrounding neighborhood.

Public comment throughout the MIMP process repeatedly addressed two important issues of concern to the neighborhood: impacts of increased traffic on local arterials, and increased height, bulk and scale of development. Of particular concern are increased traffic and travel times on the numerous segments that make up the corridors between the hospital and SR 520 along Montlake Blvd, and between the hospital and I-5 along NE 45th St.

The Master Plan identifies physical improvements to grounds and facilities, intended to be sensitive to neighborhood impacts surrounding growth and change. The proposed hospital and clinic buildings, accessory parking, and improvements to existing facilities are all parts of the campus infrastructure deemed necessary to fulfill Children's mission. The Master Plan also includes pedestrian, bicycle and transit improvements, as well as public access to on-site open space and landscaped areas. Children's proposes to designate as permanent open space 41% of an expanded campus.

SMC [23.69.002](#) defines the purpose and intent of Seattle's land use regulations for Major Institutions. Its language is reiterated below in *italics* followed by analysis:

A. Permit appropriate institutional growth within boundaries while minimizing the adverse impacts associated with development and geographic expansion;

Children's has presented a valid case to support its projected need for additional beds, and has explained assumptions about gross floor area represented by each new bed unit. Over the course of decades, DPD considers the scale of development represented by the Master Plan to be appropriate and reasonable in response to Children's growth program.

To meet its growth needs, Children's originally proposed to develop largely within its existing boundaries by raising height limits to 240', and to expand its boundary to include the Hartmann Building, a building owned and used by Children's for medical offices and clinics. Through early outreach, DPD and Children's heard consistent and repeated community concern about the proposed heights, while representatives from Laurelon Terrace condominiums approached Children's with an offer to sell. In response, Children's revised its proposed Master Plan to include an expansion to the Laurelon Terrace property, thereby reducing its proposed height increases on the existing campus, and placing most of its proposed new development on the Laurelon Terrace site.

The Plan includes a substantial increase in the overall development on the campus through construction of several new buildings and replacement of aging infrastructure, representing a marked increase in the total square footage of campus facilities. Expansion of the MIO boundaries and related rezones would result in increased intensities of use within the campus and the surrounding area. The final EIS considers these increases, analyzes impacts, and proposes mitigation for short- and long-term impacts from planned and potential growth outlined in the Master Plan.

For the following elements of the environment, the FEIS identifies mitigation and/or identifies no significant adverse impacts from growth under the Master Plan:

- Geology
- Air
- Water
- Plants and Animals
- Energy and Natural Resources
- Risk of Explosion or Releases to the Environment Affecting Public Health
- Land Use
- Housing
- Recreation
- Historic and Cultural Resources
- Public Services and Utilities

The FEIS discloses the Master Plan may result in significant impacts to transportation and impacts in height, bulk and scale of proposed structures as perceived from the near vicinity. In addition to the environmental impacts and mitigation described in Section VI, the Master Plan includes a general discussion about mitigation related to traffic and height, bulk and scale impacts. This includes the adoption of substantial enhancements to the transportation management plan (TMP) to reduce the overall number of vehicle trips attributable to Children's and reduce impacts on surrounding neighborhoods, as well as measures to improve pedestrian and bicycle links within and external to the campus.

In its FEIS, DPD discloses and analyzes adverse impacts associated with development and geographic expansion, and identifies measures that minimize these impacts. Allowing geographic expansion to the Laurelon and Hartmann sites provides effective mitigation for anticipated impacts of the proposed institutional growth. In this regard, the Master Plan meets this goal.

B. Balance a Major Institution's ability to change and the public benefit derived from change with the need to protect the livability and vitality of adjacent neighborhoods;

Children's expects continual growth over the next twenty years. The Master Plan provides a framework to direct future development in a way that benefits the institution and the community by focusing new growth downhill and more directly connected to a principal arterial, working with King County Metro to relocate and improve transit stops along Sand Point Way NE for use by the hospital and public, and maintaining and enhancing the campus edge. As expansion to the

Laurelon Terrace site would involve subsequent street vacations, DPD anticipates the current analysis to be relevant to that future process. The Master Plan provides flexibility for long term growth in order to accommodate the hospital's changing programs and growing population.

The Master Plan specifically addresses proposed protections and enhancements to the livability of adjacent neighborhoods. The intent of the Master Plan is to direct the growth in the following ways:

- Place the majority of new development on the Laurelon Terrace site, where appropriate siting reduces its apparent bulk and scale and more readily integrates its transportation systems with Sand Point Way NE.
- Maintain access to the campus from Sand Point Way NE and NE 40th St, with no new access points proposed along the remaining street frontages.
- Reduce the bulk and scale of the proposed facilities through transitional heights and building setbacks.
- Create community gathering places and green space, including access to rooftop gardens and courtyards.
- Create a new transit hub on both sides of Sand Point Way NE to facilitate safe access to and from the hospital and the surrounding neighborhood without an automobile.
- Redevelop the Hartmann property to provide a functional and inviting streetscape and access to the Burke-Gilman Trail.
- Further invest in Children's Transportation Management Program and its corollary benefits to the surrounding neighborhood.
- Create comparable replacement housing in consideration of any residential demolition resulting from geographic expansion.

Children's proposes to relate the campus to its surroundings through a variety of open spaces and improved pedestrian circulation routes across the campus, intended to connect with transit and the Burke-Gilman Trail. These strategies should continue to enhance the campus' physical connection to the community. The Master Plan intends that they improve livability and vitality of adjacent neighborhoods by opening and enhancing these spaces for non-hospital access. Children's expects that sidewalks and signalized crossings across Sand Point Way NE would improve pedestrian and bicycle safety, and improve access to and from the Burke-Gilman Trail for residents living east and south of the hospital.

Children's proposes to focus most of its planned and potential projects toward Sand Point Way NE, away from the single family areas to the east and south of the hospital campus, and away from the residential low-rise zoned area to the north. The relatively lower topography of the Laurelon Terrace site facilitates diminished bulk impacts on surrounding single family neighborhoods. It also provides for direct campus access to Sand Point Way NE and 40th Ave NE. The Master Plan and FEIS identify and analyze likely increases in traffic resulting from increased hospital patients, families and staff. They identify and simulate bulk and scale impacts

resulting from increased MIO heights. The Master Plan and related environmental documents evaluate a series of mitigating measures to address potential impacts.

To the extent that increased building height (up to 160' along Sand Point Way NE and 40th Ave NE) could detract from the livability and vitality of the most immediate neighbors, DPD identifies likely offsets, such as architectural modulations, landscaping, decreased heights, a recommended 40' deep upper-level setback along Sand Point Way NE and 40th Ave NE, and other conditions described in Section VII.

As stated above, this analysis considers public benefits related to the proposed expansion and adopted in the Final Master Plan. A neighborhood-oriented transit center and shuttle system, improvements to traffic operations, pedestrian and bicycle amenities, and compensation to existing Laurelon Terrace residents at more than fair market value – these and other proposed enhancements are integral to the proposed expansion, addressing public benefits relevant to both the City's major institution policies and street vacation policies..

Growth and change represented by the Master Plan will affect the nearby Laurelhurst and Ravenna/Bryant neighborhoods. The Plan represents more vehicle trips on existing roadways, more active use of the expanded campus, and more substantial buildings in areas currently occupied by low residential structures. For residents of Laurelon Terrace, the Master Plan represents the demolition and dissolution of their community. In the FEIS, DPD recognizes the impacts associated with Children's proposed development. However, DPD concludes that the adjacent residential neighborhoods and their associated neighborhood businesses are not likely to decline, and will continue to be the livable, vital communities currently in evidence. In that regard, the Master Plan successfully meets this goal.

C. Encourage the concentration of Major Institution development on existing campuses, or alternatively, the decentralization of such uses to locations more than two thousand five hundred (2,500) feet from campus boundaries;

The Master Plan directs campus expansion toward Sand Point Way NE, away from the single family zoned neighborhoods located on the east and south. This strategy mitigates potential height, bulk and scale impacts that would have occurred through redevelopment of the existing campus alone.

To the extent feasible, Children's has decentralized its operations to sites further than 2,500' from campus by providing pediatric specialty care at regional clinics in Bellevue, Everett, Federal Way, Olympia, and the Tri-Cities, and outreach clinics in Yakima, Wenatchee, and Kennewick, Washington, and sites in Alaska and Montana. In addition, Children's states it is working with community providers to increase the availability of pediatric specialty-care services in the area.

Children's has moved to consolidate its research functions away from the hospital campus. In 2006, Children's purchased new research facilities and land that will allow for a total of 1.5 million gross square feet of research space in Seattle's South Lake Union area. Children's notes it is in the process of acquiring 6.6 acres near downtown Bellevue for a new outpatient facility, expected to open in 2010.

Through the MIMP process, Children's has described its practice and intent to further decentralize operations by relocating administrative, outpatient, and research services to other sites in the region. Concentration of remaining Major Institution development solely on the existing campus, without exercising the opportunity to expand to the Laurelton Terrace site, would present a dilemma. It would foster additional height, bulk and scale impacts on the immediate vicinity of the existing (uphill) site, and would compel new vehicle accesses toward the north and south, adjacent to existing residential neighborhoods. DPD therefore determines that the Master Plan achieves this goal's intent, because alternatives that exclude Laurelton Terrace and strictly adhere to the goal would result in further impacts, as described.

D. Provide for the coordinated growth of major institutions through major institution conceptual master plans and the establishment of major institutions overlay zones;

The Master Plan itself and supporting documents provide for this goal.

E. Discourage the expansion of established major institution boundaries;

The Master Plan proposes to expand Children's MIO boundaries to include the Laurelton Terrace and Hartmann properties, and therefore poses a potential conflict with this stated goal. Compared to alternatives that concentrate proposed growth on the existing campus, however, the Master Plan reduces impacts to the immediate neighborhood. It focuses increased height and bulk downhill, where it is less apparent. It also provides for more direct vehicle access to Sand Point Way NE, the principal arterial.

Alternatives 3 and 7R expand the MIO boundaries to include the Hartmann site. Alternatives 6 and 8 do not include Hartmann. SMC [23.34.124 B](#) (designation of MIO districts) also speaks to the question of appropriate Major Institutional boundaries:

- *Boundaries shall provide for contiguous areas which are as compact as possible within the constraints of existing development and property ownership.*
- *Appropriate provisions of this chapter for the underlying zoning and the surrounding areas shall be considered in the determination of boundaries.*
- *Preferred locations for boundaries shall be streets, alleys or other public rights-of-way. Configuration of platted lot lines, size of parcels, block orientation and street layout shall also be considered.*

This report further discusses adherence to boundaries criteria on page 58, below. As stated previously, DPD contends that concentration of Major Institution development on the existing campus would foster additional height, bulk, and scale impacts on the vicinity of the existing site, and would compel new vehicle accesses toward the north and south, adjacent to existing residential neighborhoods.

The Hartmann property is zoned L3, and Children's has owned it since 2000. Since 1957 it has served office and medical clinic uses. Redevelopment of this site would perpetuate the existing use and would result in no loss of housing. The Hartmann site faces onto Sand Point Way NE, and the Burke-Gilman trail abuts the site to the west. The trail is at a higher elevation, and a steep bank forms a topographic shift separating the site from the trail.

The Master Plan represents an expansion of Major Institution boundaries. However, DPD considers the goal's intent to be the protection of established residential neighborhoods from unchecked geographic expansion by major institutions. DPD considers Alternative 7R to appropriately meet this intent, considering its relative advantages and its proposed package of mitigations.

In general, the Code does not prefer to expand an MIO boundary across an arterial to include an additional discreet development site. However, this site is currently used for medical services. Its redevelopment will enable the institution to better connect the hospital and Sand Point Way to the Burke Gilman Trail, and to provide enhanced transit, shuttle, and drop-off areas on both sides of Sand Point Way NE.

F. Encourage significant community involvement in the development, monitoring, implementation and amendment of major institution master plans, including the establishment of citizen's advisory committees containing community and major institution representatives;

The Mayor and City Council appointed members of the CAC after significant outreach to the surrounding business and residential community. Through public meetings, public notice, acceptance of public comment, and a public hearing, Children's, the CAC, the Department of Neighborhoods and DPD have encouraged significant involvement in the evolution of the Master Plan and formulation of the Environmental Impact Statement.

Children's submitted and DPD published its Notice of Intent in April 2007, as required by SMC [23.69.032 B](#). In addition, Children's and DON conducted outreach to stakeholders in the residential and business community. The following is the list of CAC members appointed initially, including City and hospital staff:

Members:

| | |
|--------------------|--|
| Karen Wolf | Chair, Ravenna/Bryant Resident |
| Catherine Hennings | Vice Chair, Laurelhurst Resident |
| Cheryl Kitchin | Laurelhurst Resident |
| Delores Prichard | Laurelhurst Resident |
| Kathleen Sabo | Laurelhurst Resident |
| Miriam Muller | Laurelhurst Resident |
| Kim O Dales | Laurelhurst Resident |
| Doug Hanafin | Laurelhurst Resident |
| Dr. Gina Trask | Laurelhurst Resident/Local Business Owner |
| Michael S Omura | Hawthorne Hills Resident/Architect |
| Wendy Paul | Seattle Children's Non-management Representative |
| Yvette Moy | Patient or User Representative and Citywide |
| Representative | |

| | |
|--------------------|----------------------|
| Robert Rosencrantz | Montlake Resident |
| Bob Lucas | View Ridge Resident |
| Cathy Higgins | Laurelhurst Resident |

Alternates:

| | |
|--------------------|---|
| Theresa Doherty | Citywide (Adjacent Institution – Univ. of Washington) |
| Shelley D Hartnett | Hawthorne Hills Resident |
| Christine Barrett | Laurelhurst Resident |

Ex-Officio Members:

| | |
|----------------|--|
| Steve Sheppard | Department of Neighborhoods |
| Scott Ringgold | Department of Planning and Development |
| Ruth Benfield | Seattle Children's Hospital |

Two CAC members, Kathleen Sabo and Cathy Higgins, and one alternate, Christine Barrett, are residents of the Laurelton Terrace condominiums. Once Children's purchase of the Laurelton Terrace condominium property became a viable alternative, these three members resigned from the CAC prior to the April 2008 meeting (CAC Meeting #9). The CAC then advanced to the committee the two remaining alternates, Theresa Doherty and Shelley D. Hartnett, and the City appointed three new alternates: Nicole Van Borkulo, Mike Wayte, and Dr. Brice Semmens.

Prior to the development of the Director's Report, The CAC held approximately 20 meetings to review and comment on the development of several Master Plan discussion drafts.

G. Locate new institutions in areas where such activities are compatible with the surrounding land uses and where the impacts associated with existing and future development can be appropriately mitigated;

Not applicable; Children's is an existing Major Institution.

H. Accommodate the changing needs of major institutions, provide flexibility for development and encourage a high quality environment through modifications of use restrictions and parking requirements of the underlying zoning;

The Master Plan's development program and development standards are intended to meet the changing needs of Children's over the life of the Master Plan. For additional information on development standards and modifications to standards of the underlying single family and L3 zones, please see section L below.

I. Make the need for appropriate transition primary considerations in determining setbacks. Also setbacks may be appropriate to achieve proper scale, building modulation, or view corridors;

In the creation of the preferred alternative, appropriate transition and scale have been primary considerations. Alternative 7R locates most new development further downhill and away from most of the residential neighborhood adjacent to the existing campus.

Children's proposes varying setbacks along the periphery of the proposed MIO. On the east, the Master Plan identifies a setback of 75' for the entire property line. On the south, it proposes to maintain the existing 75' setback for the full length of the current campus, and to establish a 40' setback along the south side of the Laurelton Terrace site. Along the north boundary, the plan would increase the existing 20' setback to 40' for the boundary's western one-third, and 75' for its eastern two-thirds. On the west side of the expanded campus along 40th Ave NE, the Master Plan identifies a 20' setback. For the western boundary along Sand Point Way NE from 40th Ave NE to Penny Drive, Children's proposes a 10' setback.

On the Hartmann site, the plan identifies setbacks of 20', excepting a proposed setback area at the northern corner, approximately 60' by 80', to protect the existing grove of redwood trees.

An expansion into the Laurelton Terrace Site would result in a main campus bounded entirely by rights of way. Sand Point Way NE is 100' wide. 40th Ave NE on the west, NE 45th St on the south, 45th Ave NE on the east, and NE 50th St on the north – all are 60' wide. Toward Children's northeast corner, 44th Ave NE and NE 47th St are both 50' wide. The Hartmann site is bounded on the east by Sand Point Way NE and on the west by the right-of-way of the Burke-Gilman Trail.

Combined with the landscaped proposed along the northern side of the campus, the 40' and 75' setbacks allow the campus buildings to be set back from neighboring development and provide that campus buildings do not tower over or otherwise crowd adjacent low-rise single- and multi-family residences.

The Master Plan's 75' eastern setback represents an increase from 40' along a portion of this frontage. Combined with the landscaped screening provided along the entire eastern side of the campus and the downward slope of the eastern side of campus, this setback further buffers neighboring development from future hospital development.

On the south, Children's proposes to maintain the existing campus' 75' buffer, as well as those portions of the MIO 50 and MIO 37 that currently abut NE 45th St. The Master Plan provides a landscaped buffer of 40' along the south edge of the Laurelton Terrace property. The combined 100' width of the street and landscaped buffer, and the MIO 37 all serve to increase the distance from the single family zone located south of NE 45th St and provide for a transition in height.

On the west property line, Children's proposes a 20' setback along 40th Ave NE, and a 10' setback along Sand Point Way NE to the intersection with Penny Drive (pages 74 and 84 of Final Master Plan). Children's proposes an MIO 160 for a majority of the site with areas of MIO 50 and MIO 37 along the southern portion. Plans and conceptual drawings located throughout the Master Plan show upper level setbacks for the principal towers, providing some relief at the street edge. Perceived from adjacent sidewalks, the leading edge of these structures would be limited by 37' or 50' heights at the western edge.

The EIS characterizes the Master Plans' height, bulk and scale impacts as significant, particularly along the new western frontage. Building heights up to 160' in direct relation to zoned heights of 30' would present an aesthetic impact warranting mitigation. The Master Plan and EIS discuss appropriate mitigating measures, such as architectural modulation and

composition, appropriate finish materials, and landscaping. However, properties to the west along 40th Ave NE are particularly challenged by the Master Plan's proposed transition in scale. To provide for a transitional height limit to the L3 zone on the west side of 40th Ave NE, Council should impose a condition to reduce structure heights and increase upper-level setbacks along the street edge for the northern two-thirds of the Laurelon Terrace site.

For the Hartmann site, Children's proposes setbacks of 20' with the exception of a proposed setback area of 60' by 80' at the northwest corner to protect the existing grove of redwood trees. A steep upward slope and the Burke Gilman trail separate the site from single-family residential properties located to the west. The combination of mature vegetation, setbacks, and topographic breaks result in appropriate transition from the residential neighborhood to the proposed MIO. Properties to the north are zoned L3 and the property to the south is zoned NC2-40. In the context of Sand Point Way, the vicinity topographic conditions, and existing development, DPD considers the proposed MIO on the Hartmann site to provide an appropriate height and bulk relationship to its surroundings.

J. Allow an increase to the number of permitted parking spaces only when it is 1) necessary to reduce parking demand on streets in surrounding areas, and 2) compatible with goals to minimize traffic congestion in the area;

The City of Seattle provides minimum and maximum parking requirements for major institutions such as Children's, per SMC [23.54.016](#). Children's proposes 3,100 parking spaces on campus, the maximum allowed outright. As necessary to mitigate future transportation impacts, it also proposes to lease an additional 500 spaces at off-campus parking lots, regularly accessed via shuttle, to meet parking demand and to reduce the potential for parking by hospital staff or visitors on neighborhood streets. The City may allow parking above the maximum if the institution meets or exceeds its TMP goals.

In accordance with the Transportation Management Program (TMP) approved as part of its 1994 Master Plan, Children's has assumed a policy of directing its parking demand away from neighboring streets. It implements a comprehensive enforcement program to limit street parking by its employees in the vicinity of its campus. Further, the campus is designed to draw visitors from Sand Point Way into Penny Drive, and alternative pedestrian accesses to campus from the neighborhood are less apparent. DPD heard occasional comments about employee parking to the west across Sand Point Way. However, Children's accommodates most of its parking demand on-site and appears to generate little demand for parking on nearby streets. Area streets therefore exhibit parking demands typical of many low-intensity single family neighborhoods. Children's proposes to continue its parking management strategy as part of its new TMP. Considering the accepted success of Children's parking management program, DPD considers this goal's first criterion to be adequately met.

Children's has documented its successful record of reducing its relative impact by promoting transportation alternatives. Children's proposed TMP describes further measures intended to reduce SOV trips to its campus. Considering this established record and the added measures to be implemented over the course of the proposed Master Plan, DPD considers this goal's second criterion to be adequately met.

K. Use the TMP to reduce the number of vehicle trips to the major institution, minimize the adverse impacts of traffic on the streets surrounding the institution, minimize demand for parking on nearby streets, especially residential streets, and minimize the adverse impacts of institution-related parking on nearby streets. To meet these objectives, seek to reduce the number of SOVs used by employees and students at peak time and destined for the campus;

Children's 2006 TMP Report showed that fewer than 38% of TMP-covered day-shift staff drive alone to work. With this Master Plan, Children's proposes to enhance its TMP to reduce the SOV rate for its daytime employees to 30%. Children's Comprehensive Transportation Plan also includes provisions for enforcement against hospital-related vehicles parking on neighborhood streets, and Children's has agreed to participate in funding of a residential parking zone (RPZ) if it were to become necessary and desired by the neighborhood. Both the TMP and the Comprehensive Transportation Plan are described and discussed in the Final Master Plan and the Final EIS.

L. Through the master plan:

1) give clear guidelines and development standards on which the major institutions can rely for long-term planning and development;

Section IV of the Final Master Plan includes specific requirements and guidelines, including development standards governing height, lot coverage, open space and other related development standards. Height is addressed in Section V of this Director's Report below regarding requested rezones. Children's would be able to rely on the guidelines and standards of its Master Plan to plan the long-term functionality of the campus.

2) provide the neighborhood advance notice of the development plans of the major institution;

Following the appointment of the CAC by the City Council, DPD published and distributed notice of opportunities for comment, in accordance with City Code. Outreach included large signs located along each property frontage, mailing to property owners within 300' of the project site, and publication in the City's Land Use Information Bulletin:

- August 6, 2007 – Notice of Determination of Significance to require an Environmental Impact Statement and Notice of a Public Hearing on the Scope of the EIS
- June 9, 2008 – Notice of availability of the Draft Master Plan, Draft EIS and Notice of Public Hearing
- November 10, 2008 – Notice of availability of Final EIS and Final Master Plan
- Over the course of the Master Plan's execution, the process provides for advance notice as individual projects proceed through their respective Master Use Permit reviews.

3) allow the city to anticipate and plan for public capital or programmatic actions that will be needed to accommodate development;

As required by the Major Institution code, DPD sent notices of the Draft and Final EIS and Master Plan to City departments, including Fire, Transportation, Public Utilities, City Light and Human Services. On various occasions, DPD involved staff from SDOT and the Office of Housing in its preparation of the Environmental Impact Statement, as well as during its review of the proposed TMP, associated transportation mitigations, and housing replacement strategy.

4) provide the basis for determining appropriate mitigating actions to avoid or reduce adverse impacts from major institution growth; and

The master planning process includes citizen involvement as well as the involvement of agencies with jurisdiction in drafting and commenting on the Master Plan and EIS. This includes disclosure of impacts and evaluation of mitigation, leading to the recommended conditions.

This report lists recommended conditions below in Section VII.

M. Encourage the preservation, restoration and reuse of designated historic buildings.

The Master Plan would demolish the Laurelton Terrace condominiums to provide for future development of hospital facilities. The buildings on the Laurelton Terrace site are over 50 years old. Concurrent with the development of the EIS, the City's Landmarks Preservation Board reviewed a detailed analysis of the Laurelton Terrace buildings to comply with requirements under the City's SEPA ordinance in SMC [25.05](#), and determined that none of the structures met the criteria for nomination under the city's Historic Preservation Ordinance, SMC [25.12](#).

The Master Plan would demolish the Hartmann Building at 4561 Sand Point Way NE for future development of hospital facilities. That building is approaching 50 years old, when any future development proposed for this site would require similar review and approval. Such analysis would appropriately occur as part of a Master Use Permit review.

E3. In the Director's Report, an assessment shall be made of the extent to which the Major Institution, with its proposed development and changes, will address the goals and applicable policies under Education and Employability and Health in the Human Development Element of the Comprehensive Plan.

The following goals and policies specifically pertain to the development and implementation of the Master Plan:

Human Development Goals and Policies

D. Effective Disease Protection, Access to Health Care, Physical and Mental Fitness for Everyone

Goals

- ***HDG6 Create a healthy environment where all community members, including those currently struggling with homelessness, mental illness and chemical dependence, are able to aspire to and achieve a healthy life, are well nourished, and have access to affordable health care.***

Children's provides the same quality of care to all children, regardless of ability to pay, and this included \$65.7 million of uncompensated and under-compensated care in 2007.

Policies

- ***HD21 Encourage Seattle residents to adopt healthy and active lifestyles to improve their general health and well-being to increase their number of healthy years lived. Provide opportunities for people to participate in fitness and recreational activities and to enjoy available open space.***

Children's states that it provides health information resources, classes on parenting, preteens and special needs, and events that highlight child safety, such as car seat fitting, life jacket fitting, and low-cost bike helmet sales and fittings. In addition to focusing on fitness and nutrition through the Children's Obesity Action Team programs with the YMCA, through the Odessa Brown Children's Clinics, and others, "Injury Free Seattle" promotes safe activities through safe walking, safe play, biking, and safe swimming. Children's partners with Seattle Parks to provide loaner life jackets at every life-guarded beach, and low-cost life jacket sales. Clients at the Odessa Brown Children's Clinic have access to "Shop Around," a program focused on the whole, natural foods located along the perimeter of a grocery store. It is part of Odessa Brown's "Fit 4 You" programs that identifies overweight patients, or those in danger of becoming so, and educates them and their families about grocery shopping, cooking and nutrition.

The Master Plan provides for additional open space accessible to hospital staff, patients, and families, and to the surrounding neighbors. Planned improvements include sidewalks and accessible connections with the Burke-Gilman Trail to encourage more pedestrian and bicycle use.

- ***HD22 Work toward the reduction of health risks and behaviors leading to chronic and infectious diseases and infant mortality, with particular emphasis on populations disproportionately affected by these conditions.***

As noted above, Children's serves all children, regardless of their ability to pay. In its Master Plan, Children's provided the following five goals as its strategic plan for its Center for Diversity and Health Equity:

- A diverse workforce that reflects the community it serves
- An environment that reflects its values of inclusion

- Effective and respectful care compatible with the health beliefs, practices and preferred language of its patients
- Connections with its community through outreach, community services and employee volunteer programs
- Work/life balance

Current efforts include cultural navigators for Somali and Spanish speaking families, data tracking to look at disparities in how families perceive their care based on their ethnicity or insurance status, and support groups and outreach programs for at-risk children and families.

- ***HD23 Work to reduce environmental threats and hazards to health in the workplace, at home and at play.***
 - a. ***Make use of the City's building and fire codes, food licensing and permit processes, and hazardous materials and smoking regulations for fire and life safety protection.***
 - b. ***Collaborate through joint efforts among City agencies, such as fire, police, and construction and land use to address health and safety issues in a more efficient manner.***

The Master Plan includes a “Sustainability” element to address environmental threats and hazards to health in accordance with the City’s building, fire and other codes.

- ***HD24 Seek to improve the quality of, and access to, health care, including physical and mental health, emergency medical, and addiction services.***
 - a. ***Collaborate with community organizations and health providers to advocate for quality health care and broader accessibility to services.***
 - b. ***Pursue co-location of programs and services, particularly in under-served areas and in urban village areas.***

In the Master Plan, Children’s reports the following:

- Children’s expands access to health care by supporting existing clinics and opening new clinics where patients need services through the four primary states in its service area (Washington, Alaska, Montana and Idaho) and in regional clinics in Seattle (Odessa Brown Children’s Clinic), Bellevue, Federal, Way, Everett, Olympia, and the Tri-Cities.
- Children’s is a member of a number of community organizations and policy and advocacy coalitions to improve access to quality health care.
- Children’s provides round-the-clock telephone interpreters for non-English speaking families to assure effective communication.

- Children's has a Guest Services program to provide patient and family shuttles, valet parking, and housing information for families to help reduce the stress and logistical challenges of coming to the hospital.
- ***HD25 Work with other jurisdictions, institutions and community organizations to develop a strong continuum of community-based long-term care services.***

In the Master Plan, Children's reports the following:

- Children's has a home health care division that provides services in patients' homes.
- Children's works with other health service providers to support effective adolescent transition to adult care.
- The Center for Children with Special Needs hosts a Web site, cshcn.org, with resources for families who have a child with special needs.

G. Coordination and Joint Planning of Services

Goals

- ***HDG11 Develop a more flexible, comprehensive, coordinated and efficient system of services that addresses whole needs of people, families and communities.***

Children's Master Plan is intended to allow it to continue to fulfill its mission of providing quality health care to children both on campus and through its regional clinics and association with and support of other service providers.

Policies

- ***HD44 Encourage cooperative planning, decision-making and funding for health and human service delivery throughout the region. Join with other public and private institutions in the region to strive for a stable and adequate funding base for services that support safe and healthy communities.***

In the Master Plan, Children's reports the following:

- Children's works in conjunction with the University of Washington Department of Psychiatry as the center for clinical training, research and pediatric mental health care for the four-state region.
- Children's efforts in training staff and improving access to care have been able to reach more children and families in need.
- Children's participates in a pilot program to provide telephone mental health consultation services with clinicians in two rural/semi-rural parts of the state where there is minimal access to pediatric mental health providers.

- ***HD45 Promote effective, efficient community-based and community-delivered services using a combination of public, private, community and personal resources.***

See responses to HD24, HD25, HDG11, and HD44 above.

- ***HD46 Strive to provide better and more coordinated information to people about the availability of services in the community and make use of available and new technologies to improve access to services and information.***

In the Master Plan, Children's reports the following:

- Children's provides information about the availability of services for the pediatric population on its website (www.seattlechildrens.org). The web site includes information in both print and video formats on a variety of child health and safety issues.
 - Links from the website provide a way for families to connect with other community resources such as the Children's Obesity Action Team.
 - Children's Center for Children with Special Needs has developed resource guides for families with children with special needs to help locate nearby medical, dental or behavioral services, insurance and financial assistance, and public health contacts.
- ***HD47 Encourage customer-focused services with feedback from those who use them and involvement of consumers in identifying needs and planning for service delivery.***

In the Master Plan, Children's reports the following:

- Children's provides patients and families with a number of ways to provide feedback, including a dedicated phone number, E-feedback, and access to Patient Relations staff.
 - All comments are followed up on and tracked.
 - A family experience survey is distributed to families coming into its inpatient, ambulatory clinics, emergency department or surgery center. The survey is offered in four languages.
 - Hospital goals are set according to the feedback Children's receives through these tools.
- ***HD48 Encourage connections between services that coordinate, link and integrate public, private and community-based services. Facilitate collaboration of programs through the use of City funding.***

See responses to HD24, HD25, HDG11, and HD44 above.

- ***HD49 Encourage consideration of issues like transportation and the need for dependent care in planning for health, human services, employment and recreation programs.***

Children's Comprehensive Transportation Plan and Transportation Management Plan are included in both the Final EIS and Final Master Plan.

E4. The Director's analysis and recommendation on the proposed master plan's development program component shall consider the following:

- a) The extent to which the Major Institution proposes to lease space or otherwise locate a use at street level in a commercial zone outside of, but within two thousand, five hundred (2,500) feet of the MIO District boundary that is not similar to a personal and household retail sales and service use, eating and drinking establishment, customer service office, entertainment use or child care center, but is allowed in the zone. To approve such proposal, the Director shall consider the criteria in Section [23.69.035 D3](#);**

Children's currently leases 6,700 square feet of professional office space at the Springbrook office buildings, located within 2,500' of the MIO boundary. Children's proposes to continue to lease space as allowed pursuant to SMC [23.69.022](#).

- b) The extent to which proposed development is phased in a manner which minimizes adverse impacts on the surrounding area. When public improvements are anticipated in the vicinity of proposed Major Institution development or expansion, coordination between the Major Institution development schedule and timing of public improvements shall be required;**

Children's proposes to expand the campus in four phases over approximately twenty years. Children's has designated the first phase, development of Bed Unit North and Emergency Department facilities that straddle the Laurelon Terrace and existing campus property, as a planned physical development. The Master Plan designates phases 2, 3, and 4 as potential physical development. The timing of each phase is not necessarily dependent on major public improvements in the vicinity of the site.

The FEIS addresses phasing in Section 2.7 on pages 2-22 through 2-30. The Final Master Plan identifies project phases in Figure 47 on page 66. The FEIS projects construction of Phase 1 to occur between the first quarter of 2010 and the fourth quarter of 2012. The anticipated construction schedules for the potential physical development are Phase 2, fourth quarter 2013 to fourth quarter 2016, Phase 3 in two subphases, second quarter 2017 to fourth quarter 2019 and first quarter 2022 to fourth quarter 2024, and Phase 4, second quarter 2025 to fourth quarter 2027.

- c) The extent to which historic structures which are designated on any federal, state or local historic or landmark register are proposed to be restored or reused. Any changes to designated Seattle Landmarks shall comply with the**

requirements of the Landmarks Preservation Ordinance. The Major Institution's Advisory Committee shall review any application to demolish a designated Seattle Landmark and shall submit comments to the Landmarks Preservation Board before any certificate of approval is issued;

There are no designated historic structures on the existing campus nor on the two areas proposed for MIO expansion. As required under SMC [25.05.675](#), a project subject to SEPA that proposes the demolition of a structure older than 50 years, or one that could be eligible for Landmark status under City ordinance, must be referred to the DON staff for preliminary consideration. Two properties that require review and compliance are Laurelon Terrace and the Hartmann building. On September 3, 2008, the City's Landmarks Preservation Board voted to deny the designation of the Laurelon Terrace condominiums based on the finding that this property does not meet any of the designation standards of SMC [25.12.350](#). As the Hartmann building is approaching 50 years old, any future development proposed for this site would require similar review and approval. Such analysis would appropriately occur as part of a Master Use Permit review

d) The extent to which the proposed density of Major Institution development will affect vehicular and pedestrian circulation, adequacy of public facilities, capacity of public infrastructure, and amount of open space provided;

The Final EIS addresses the impacts on vehicular and pedestrian circulation, adequacy of public facilities, capacity of public infrastructure and open space. Measures identified in the FEIS would adequately mitigate the impacts of the Master Plan's proposed density on circulation, public facilities, infrastructure and open space. This report discusses each element below.

Proposed Density

The proposed density of planned and potential development is discussed on page 85 of the Final Master Plan. The underlying single family and L3 residential zones do not use floor area ratio (FAR) as a standard to limit gross floor area, though new construction in these zones typically achieve a FAR between 1.0 and 1.5. Children's has proposed a FAR limit of 1.9 in the Master Plan for both the main campus and the Hartmann site (excluding certain spaces, such as parking, limited mechanical space, and areas located below grade, consistent with exclusions in other zones). Children's existing FAR is 0.9 on the main campus and 0.2 on the Hartmann site. The total amount of new development allowed under the Master Plan (above and below grade) would be 1.5 million square feet. The Final Master Plan calculates FAR over the entire campus and does not apply specific FAR limits to individual sites, consistent with other master plans.

Vehicular and Pedestrian Circulation

Pages 93 through 108 of the Final Master Plan provide discussion and analysis of existing and proposed pedestrian and vehicular circulation on campus. Children's

proposes to maintain the existing entrance at Penny Drive and Sand Point Way NE, and to add two new entrance points along 40th Ave NE.

Children's states that it is committed to making non-motorized transportation safe, attractive and time competitive with SOV travel. Non-motorized solutions include clear, safe pedestrian routes from nearby neighborhoods, transit and shuttle stops, end-of-trip amenities such as bicycle racks and showers for cyclists and walkers, and safe and intuitive connections between buildings and parking garages. The proposed Master Plan provides pedestrians and bicyclists with a "front door" on 40th Ave NE and Sand Point Way NE and eliminates the current hill climb for walkers, bicyclists and wheel chair users up Penny Drive. At two locations, Children's would consolidate access between the proposed North Garage and the hospital, where Helen Lane is realigned, and at the new clinical entry in front of the Pavilion. (See Figure 55 on page 105 of the Master Plan.) The Master Plan proposes ADA-compliant crossings of Penny Drive at these locations. The pedestrian movements at these crossings would be safer, as there would be fewer crossings, and they would be better coordinated with planned vehicle movements. The hospital may also develop elevated walkways and tunnels. Children's would design pedestrian pathways to make it easier for neighbors to access and, where appropriate, to cross the campus.

Children's proposed circulation improvements would allow for improved definition and clarity of circulation routes to ease wayfinding. The FEIS addresses additional mitigation for traffic and parking impacts associated with both planned and potential development, to be implemented at the time of new development.

Adequacy of Public Facilities

Section 3.11 of the Final EIS addresses potential impacts on public facilities. DPD anticipates existing utilities to be adequate to serve the expansion.

Capacity of Public Infrastructure

Section 3.10 of the Final EIS addresses potential impacts on public roadways, sidewalks, and pathways for both the construction and operation phases of the expansion. Section V of the Master Plan identifies proposed mitigation measures, which are included as conditions in Section VII of this Director's Report.

Open Space

In its Master Plan, Children's proposes to create community gathering places and green space, including access to rooftop gardens and courtyards (page 54). On page 27, Children's has described the character of the future campus by characterizing and illustrating its likely appearance from public streets at the edges, and has proposed two edge treatments, "garden edges" where the institution plans landscaped buffers, and "street frontage edges" where Children's would build to the street property line. Children's proposes to landscape and maintain both treatments to improve the visual quality of the streetscape, to buffer the visual impact of buildings and parking lots, to

connect diverse architecture and land uses, and to promote attractive roadways and accommodate community activities around the campus (page 82 of the Final Master Plan).

The underlying single family zone has no required open space standard. Lowrise residential zones require open space, per SMC [23.45.016](#). The Final Master plan proposes to modify the standard by requiring a minimum of 41% open space, a total of 12.9 acres. The plan would locate some open spaces on structured rooftops and terraces. Under the Master Plan, new development would enhance open space, especially by creating larger, more usable gathering areas.

e) The extent to which the limit on the number of total parking spaces allowed will minimize the impacts of vehicular circulation, traffic volumes and parking in the area surrounding the MIO District.

The Seattle Municipal Code places an upper limit on parking which can be supplied of 135% of the minimum required amount. The Land Use Code established maximum parking supply is 3,102 spaces as disclosed in the Master Plan's transportation management section and in Table 3.10-8 of the Final EIS. Children's proposes to provide 2,875 spaces on campus and 225 spaces at the Hartmann site. In addition, should there be additional demand warranting further mitigation, Children's proposes to continue providing parking in excess of the Code limit under the new Master Plan and pursuant to a new Transportation Management Plan by leasing up to 500 spaces at off-site parking lots, accessed regularly by shuttle.

The analysis in the Final EIS supports the amount of parking to be provided to address both parking and traffic impacts. The Final EIS discusses parking demand and explains Children's unique parking demand situation for both patient families and staff. For example, patient visits to the hospital for emergency care and follow-up visits are often accompanied by visitors and family in multiple cars. The proposed increase in parking spaces is reasonable, because it would alleviate Children's parking shortage and may minimize impacts to circulation, parking and volume in the area. Parking demand for services already exceeds supply, and additional off-street parking spaces planned in the Final Master Plan would reduce the likelihood of any on-street spaces occupied by hospital users, reduce the amount of circulation on surface streets while drivers look for parking, and accordingly reduce the amount of vehicles on the street. The location of and increased number of parking spaces would also minimize pedestrian/traffic conflicts because there would be less vehicles on streets highly used by pedestrians.

The FEIS discloses traffic and parking impacts. DPD recommends conditioning to limit these impacts pursuant to SEPA authority, as discussed in Section VI below.

E5. The Director's analysis and recommendation on the proposed master plan's development standards component shall be based on the following:

- a) **The extent to which buffers such as topographic features, freeways or large open spaces are present or transitional height limits are proposed to mitigate the difference between the height and scale of existing or proposed Major Institution development and that of the adjoining areas. Transitions may also be achieved through the provision of increased setbacks, articulation of structure facades, limits on structure height or bulk or increased spacing between structures;**

The Final Master Plan addresses transitions in height and scale between Children's development and the surrounding neighborhood. First, it responds to area topography and existing neighborhood conditions. Second, it proposes standards for modulated height, setbacks and landscaping/open space. Ultimately, future development must address concerns about how Children's interfaces with its streetscapes and the neighborhood, by incorporating human-scaled elements, appropriate modulation, and architectural features that communicate attention to human proportion and an appropriate transition from higher buildings to lower ones. The Final Master Plan discusses proposed development standards on pages 75-91. Standards such as FAR, progressively stepped height limits, setbacks, lot coverage, open space, and landscaping speak to appropriate transitions between potentially disparate zoned heights.

The lot coverage limit in the underlying single family zone is up to 35%, and 45-50% in the underlying L3 zone of the Laurelon Terrace and Hartmann sites. Children's proposes an institutional lot coverage limit of 51%, which is comparable to the underlying L3 zoning. The site coverage limit would reduce building "footprints" and ensure appropriate building separations.

Institutional setbacks required for the underlying single-family zone are generally 20' for the front, 25' for the rear, and 10' for the sides. For the underlying L3 zone, required setbacks are 5-15' for the front, 15-25' for the rear, and varying depths on the sides. With the expansion onto the Laurelon Terrace site, Children's main campus would be surrounded on all sides by streets. All setbacks proposed by Children's along the north, east and south property lines exceed those required by the underlying zone. Setbacks proposed by Children's along the west property line meet or exceed those required by the underlying zone.

Two sides of the campus – the south and east boundaries – face single-family neighborhoods. On the east, Children's proposes a setback of 75' for the entire frontage. On the south, Children's proposes maintaining the existing 75' setback, and establishing a 40' setback for the new expansion area on the Laurelon Terrace site. On the north, the zoning across 50th Ave NE is residential lowrise duplex/triplex (LDT). Along the north boundary, Children's proposes to increase its existing 20' setback to 40' for the western one-third of the boundary, and 75' for the eastern two-thirds of the boundary. The depth of these setbacks, supplemented by the width of the adjoining rights of way, help to diminish the overall height of proposed campus buildings as perceived from nearby properties.

On the west side of the expanded campus, the underlying zoning and the zoning facing the site across 40th Ave NE is a combination of Neighborhood Commercial 2 (NC2) with

a 30' height limit and residential Lowrise 3 (L3). Multifamily setbacks vary, though most structures in lowrise zones are built within 10-20' of a side lot line. Children's proposes a 20' setback along its west façade, (technically a side lot line). For the western boundary along Sand Point Way NE from 40th Ave NE to Penny Drive, Children's proposes a setback of 10' to allow for the development of a transit stop and pedestrian amenities to be located close to the street edge. Outside of these setbacks, Children's proposes an MIO 160. The transition from zoned heights of roughly 30' to 160' heights would occur over approximately 90' of combined setbacks and the 40th Ave NE right of way. DPD recognizes this proposed transition to be the most disparate transitional relationship in height, bulk and scale, and considers this area of the campus to warrant further mitigation.

An intent and purpose of the Master Plan is to orient the new development away from the less intensively zoned areas and toward the Sand Point Way NE corridor. The western edge of the campus would become the "front door" for pedestrians and bicyclists, and would include a new entrance for the Emergency Department. The design intent is to transform the western edge of campus into a more open and inviting transition to the most developed area of campus. As new development occurs on campus under the Master Plan, the campus connections to the community would be strengthened.

The Master Plan provides for campus development that is well-buffered from the single-family and residential lowrise-zoned areas located along the campus' north, east and south sides, and provides proper transitions to nearby properties through appropriate separations, natural features, and enhanced landscaping and open space. As disclosed in the EIS, building heights up to 160' in direct relation to zoned heights of 30' would present an aesthetic impact warranting mitigation. To provide for a transition to the L3 zoning on the west side of 40th Ave NE, DPD recommends that Council impose a condition to limit heights to roughly 140' in the proposed MIO 160, and to impose upper level setbacks along the street edge, for the northern two-thirds of the Laurelon Terrace site.

For the Hartmann site, Children's proposes setbacks of 20', with the exception of a proposed setback area of 60' by 80' at the northwest corner to protect the existing grove of redwood trees. The site is separated from single-family residential properties located to the west by a steep upward slope and the Burke-Gilman trail. Properties to the north are also zoned L3, and the property to the southwest is zoned Neighborhood Commercial 2 with a 40' height limit (NC2-40).

- b) The extent to which any structure is permitted to achieve the height limit of the MIO District. The Director shall evaluate the specified limits on the structure height in relationship to the amount of MIO District area permitted to be covered by structures, the impact of shadows on surrounding properties, the need for transition between the Major Institution and the surrounding area, and the need to protect views;**

On the existing campus, the MIO height limits would remain much as they are today, with structures regulated by the MIO 37 along the eastern half of the campus and by the MIO 50 along the southern portion. Along the site's northwest edge abutting Sand Point Way, the Master Plan increases a portion of the MIO 37 district to MIO 65 while increasing the existing setback from 20' to 40'. The plan appropriately locates taller buildings up to 140' in the center of the site and on the Laurelon Terrace property.

From east to west, the proposed campus falls approximately 125' in grade. Due largely to this topographic change, new construction on the Laurelon Terrace site would reach elevations similar to existing campus buildings that are within the MIO 70 and MIO 90 districts. Children's proposes to limit new buildings within the MIO 160 districts to heights of 140'.

In order to achieve Children's targeted 408 beds by 2017, the institution has proposed the following construction in Phase 1:

| | | |
|--|---|----------------------|
| 5.5 stories of beds at 48 beds per floor (264 beds) | = | 258,800 sq.ft. |
| 1 story for Emergency Department | = | 93,527 sq.ft. |
| 2 stories of Diagnostic & Testing | = | 176,343 sq.ft. |
| 1 story of Mechanical | = | 49,400 sq.ft. |
| Mechanical Penthouse | = | <u>14,000 sq.ft.</u> |
| Total Phase 1 sq.ft. for 9.5 stories | | 592,070 sq.ft. |
| Typical floor to floor height of 15' (some floors below grade or partially below grade) | = | 142.5' |

Children's has provided no specific information about the proposed heights of potential structures in Phases 2, 3 and 4. However, it is likely that phases outlined in the Master Plan would maximize development potential as allowed. As discussed above, the Master Plan identifies and adopts several mitigations that address height transitions. Future phases will be subject to additional SEPA review, most likely through EIS addenda. The Master Plan and EIS consider impacts and mitigation associated with the proposed building envelopes; addenda should evaluate more specific project-related impacts, including aesthetics. Future opportunities also exist during architectural design development to organize and articulate principal façades to further address aesthetic concerns related to bulk and scale. To this end, the Master Plan incorporates design principals related to the height, bulk and scale of future development (from the Final Master Plan, pages 9 and 24):

- Place the majority of new development on the Laurelon Terrace site
- Limit building heights to 140'
- Limit the overall height of the new facilities to an elevation that is lower than the highest elevation on the existing campus

- Set taller bed units toward the center of the Laurelon Terrace site and further away from the hospital campus edges
- Reduce the bulk and scale of proposed facilities through transitional heights and building setbacks

Along the western edge of the expanded campus, the Final Master Plan states that the podium of proposed towers would be no taller than four stories near the sidewalk (page 50). The Master Plan does not specifically limit development in the MIO160 to four story buildings along the western portion, nor does it specify how tall a four story building would be. In order to provide for a transition in height limits, DPD recommends that the Master Plan include upper-level setbacks along the western edge of campus, applied to portions of buildings higher than 50', such that they step back at least 40' from the western property line. DPD also recommends that Council condition its approval to require formal Standing Advisory Committee (SAC) review and comment on any structure higher than 37', to be located adjacent to a street edge, considering established design guidelines. This style of review comports with the duties and function typical of an SAC.

The Master Plan identifies 140' buildings located on the western and central portion of the expanded campus. For single-family homes to the east of campus, the FEIS demonstrates that Children's existing buildings would obscure any new construction to the west. From the south, single family homes would be separated from the new development by the width of the street right-of-way for NE 45th St, a 45' to 75' buffer, and an MIO 50. DPD concludes that these conditions foster an appropriate transition to higher buildings proposed to the north.

From the west, Children's proposes a 20' setback from 40th Ave NE and a 10- foot setback from Sand Point Way NE. These proposed setbacks meet or exceed the required setbacks of the underlying L3 zoning. Beyond minor elements otherwise allowed in such setbacks, no above-ground structures should be allowed within these setback areas. As stated above, DPD recommends that Council impose additional upper-level setbacks approximately 40' deep. Upper level setbacks should start at heights of roughly 50', in order to provide design flexibility to achieve an appropriate proportionality between towers and their base structure.

As currently proposed, DPD considers the Master Plan's design guidelines (page 87) to be appropriate for this stage of the planning process. To frame future Standing Advisory Committee review and analysis of proposed development, Children's should enhance these preliminary guidelines with a more comprehensive set of design guidelines. Guidelines should address issues such as architectural concept, pedestrian amenities, blank wall treatment, tower sculpting, open space and landscaping, and nighttime lighting. Guidelines should be subject to review by the Seattle Design Commission and approval by DPD. SAC members would then apply the guidelines as they evaluate how specific proposals address shared concerns about how hospital development is to address its nearby neighbors and the public realm.

Input by the CAC and Children's has weight in this consideration. DPD considers the clearest and most enforceable approach to be a clear delineation of the proposed setbacks, height limits, and other massing controls applied to new development. DPD therefore recommends that Council condition the development on the Laurelon Terrace site to heights of 140' and to include upper level setbacks for portions of structures above approximately 50'.

The FEIS analyzes shadow impacts associated with each of the alternatives (Section 3.9.2.3 on page 3.9-10 and Attachment C2 in Appendix C). The analysis demonstrates that Alternative 7R results in some offsite shadows, particularly across 40th Ave NE and Sand Point Way NE. Development of the Hartmann site would also create some shadowing across the Burke Gilman Trail and adjoining residential areas. Compared to most alternatives considered earlier in the MIMP process, shadow impacts are diminished.

Views in the area are generally territorial and localized, with some views of Mt. Rainer and Lake Washington to the east and southeast from residences located to the west, and mountain views to the west from higher elevations and upper floors. In a series of photo montages, the FEIS documents the Final Master Plan's potential visual impacts on the nearby vicinity (Attachment C-1 in Appendix C). There are no designated view corridors in the area, although limited views do occur along public rights-of-way. The SEPA ordinance identifies Sand Point Way NE as a scenic route, but in this vicinity the route affords no views to identified view amenities. Therefore Children's proposed growth would have no impact in this regard. The Final Master Plan would affect no views from public rights-of-way or other public spaces.

c) The extent to which setbacks of the Major Institution development at the ground level or upper levels of a structure from the boundary of the MIO District or along public rights-of-way are provided for and the extent to which these setbacks provide a transition between Major Institution development and development in adjoining areas;

The Final Master Plan discusses setbacks on pages 78 and 85 of the Final Master Plan. On the east, Children's proposes a setback of 75' for the entire frontage. On the south, Children's proposes maintaining the existing 75' setback, and establishing a 40' setback for the new expansion area on the Laurelon Terrace site. Along the north boundary, Children's proposes to increase its existing 20' setback to 40' for the boundary's western one-third, and 75' for the eastern two-thirds. On the west side of the expanded campus, Children's proposes a 20' setback along 40th Ave NE. For the western boundary along Sand Point Way NE from 40th Ave NE to Penny Drive, Children's proposes a setback of 10'. For the Hartmann site, Children's proposes setbacks of 20', with the exception of a proposed setback area of 60' by 80' at the northwest corner to protect the existing grove of redwood trees.

The proposed setbacks generally adhere to the standards of the underlying zone, and in several instances are substantially in excess of the requirements of the underlying zone. These setbacks allow for transition between campus and adjoining areas by providing sufficient spacing between buildings/uses, particularly along the south, east, and north property lines where the 40' and 75' separations allow for more open space and separation from the community, especially when considered in the context of street rights-of-way that surround the campus on all sides.

As discussed above, DPD recommends that Council impose additional upper-level setbacks approximately 40' deep. Upper level setbacks should start at heights of roughly 50', in order to provide design flexibility to achieve an appropriate proportionality between towers and their base structure.

- d) The extent to which the allowable lot coverage is consistent with permitted density and allows for adequate setbacks along public rights-of-way or boundaries of the Major Institution Overlay District. Coverage limits should ensure that view corridors through Major Institution development are enhanced and that area for landscaping and open space is adequate to minimize the impact of Major Institution development within the Overlay District and on the surrounding area**

The Final Master Plan proposes a lot coverage development standard of 51% maximum while the underlying L3 zoning has 45-50% maximum, and the underlying single-family zoning has a maximum lot coverage of 35%. The proposed lot coverage limit would work in concert with proposed setbacks, FAR, open space, and height limits to provide for improved transitions in height, bulk and scale to surrounding neighborhoods.

Generally, the plan calls for setbacks that are equal to or much greater than those required by the underlying zoning. There are no required view corridors across the campus, and the Final Master Plan proposes no new view corridors. Taken together with recommended conditions, the proposed development standards, siting considerations, and the distribution of MIO height limits represent a reasonable strategy for mitigating the impact of Children's development.

- e) The extent to which landscaping standards have been incorporated for required setbacks, for open space, along public rights-of-way, and for surface parking areas. Landscaping shall meet or exceed the amount of landscaping required by the underlying zoning. Trees shall be required along all public rights-of-way where feasible;**

The Final Master Plan addresses landscaping on pages 54 and 78. Children's proposes a 60' by 80' buffer area in the northwest corner of the Hartmann site to formally set aside the wooded area containing a grove of mature redwood trees. Children's would take measures to protect these trees and other "exceptional" trees on campus during construction and after completion. Children's proposes to continue the quality of its existing landscaping along the south, east and north edges of the campus. On page 56 of

the Final Master Plan, Children's states that it would program garden spaces for activities organized in concert with interior building functions to promote restorative spaces on campus, which the neighborhood may use. The system of existing and new plazas, gardens, courtyards and pathways would connect buildings with the surrounding public spaces around the campus.

f) The extent to which access to planned parking, loading and service areas is provided from an arterial street;

Proposed locations for parking would remain at the north end of campus and the existing Whale Garage located on the southeast corner of campus. New parking would be located on the southwest corner of campus on the Laurelon Terrace expansion area. This area is in close proximity to Sand Point Way NE, a siting consideration that would effectively limit Children's traffic through the neighborhood to the north, east and south of campus. The major access points for parking, loading, and service would continue to be at the existing Penny Drive entrances off of Sand Point Way NE, and from two new entrances off of 40th Ave NE. Mitigating measures for traffic and parking issues are addressed in the Final EIS.

g) The extent to which the provisions for pedestrian circulation maximize connections between public pedestrian rights-of-way within and adjoining the MIO District in a convenient manner. Pedestrian connections between neighborhoods separated by Major Institution development shall be emphasized and enhanced;

The Final Master Plan identifies the current system of pedestrian circulation (page 103) and discusses the improvement of the pedestrian environment as an important factor of the Master Plan (page 106). The Master Plan further supports improvement of pedestrian circulation through consideration of appropriate landscaping and open space. The Master Plan's goal of creating community gathering places and green spaces, including access to rooftop gardens and courtyards, opening the edges of campus to the community, facilitating circulation through the campus, and creating a more inviting, connective entrance to campus would serve to enhance and emphasize connections between campus and the neighborhood.

On the Hartmann site, the Master Plan identifies the creation of a new pedestrian link from Sand Point Way to the Burke Gilman Trail, a major pedestrian amenity. Children's identifies Hartmann development as an opportunity to provide enhanced public amenities to further facilitate transit, pedestrian, and bicycle access to the site and vicinity.

h) The extent to which designated open space maintains the pattern and character of the area in which the Major Institution is located and is desirable in the location and access for use by patients, students, visitors and staff of the Major Institution;

The Final Master Plan proposes a system of plazas, courtyards and pathways to connect buildings with the surrounding public spaces around the campus. See pages 54-57 of the Final Master Plan (particularly Figure 42). Open space standards for the underlying lowrise residential zone are generally intended to create spaces appropriate to residential apartments or townhouses. In typical lowrise development, most or all of the required open space typically occurs at ground level. Children's proposes to substantially exceed the open space standards of the underlying zone, in part through creation of rooftop plazas and gardens. The Master Plan also encourages that open spaces be enhanced through landscaping and site furnishings. Under the Master Plan, new development would enhance open space, especially by creating larger, more usable community gathering areas.

i) The extent to which designated open space, though not required to be physically accessible to the public, is visually accessible to the public;

All of the designated open space would be visually accessible to the public, and several would be physically interconnected through a pedestrian circulation system, also publicly available. Figure 42 on page 57 of the Final Master Plan diagrams the open space for the campus and the Hartmann site.

j) The extent to which the proposed development standards provide for the protection of scenic views and/or views of landmark structures. Scenic views and/or views of landmark structures along existing public rights-of-way or those proposed for vacation may be preserved. New view corridors shall be considered where potential enhancement of views through the Major Institution or of scenic amenities may be enhanced. To maintain or provide for view corridors the Director may require, but not be limited to, the alternate spacing or placement of planned structures or grade-level openings in planned structures. The institution shall not be required to reduce the combined gross floor area for the MIO District in order to protect views other than those protected under city laws of general applicability.

Topography of the site and the surrounding area slopes down to the west and south. There are territorial views and views of the Olympic Mountains from some vantage points. Its hillside location makes Children's visually prominent from Sand Point Way NE. Magnuson Park, located at Sand Point Way NE and NE 65th St is identified as a place of public view protection in the SMC environmental policies (SMC [25.05.675](#)). The list of public parks related to the view protection policies (SMC [25.05.675](#)) includes neither the Burke-Gilman Playground nor Laurelhurst Playfield.

The Children's campus includes no public view places protected under SEPA policies (SMC 25.05.675 P and Attachment 1). The SEPA ordinance identifies Sand Point Way NE as a scenic route, but in this vicinity the route affords no views to identified view amenities, and therefore Children's proposed growth would have no impact in this regard. No view corridor standards apply.

There are no designated historic landmarks on the Children's campus or in the immediate vicinity.

- E6. The Director's report shall specify all measures or actions necessary to be taken by the Major Institution to mitigate adverse impacts of Major Institution development that are specified in the proposed master plan.**

Those measures found necessary to mitigate adverse impacts of the Major Institution are listed in Section VII of this report, on page 74.

RECOMMENDATION – MAJOR INSTITUTION MASTER PLAN

The Director recommends **APPROVAL** of the proposed Major Institution Master Plan as conditioned in Section VII.

V. ANALYSIS – REZONE

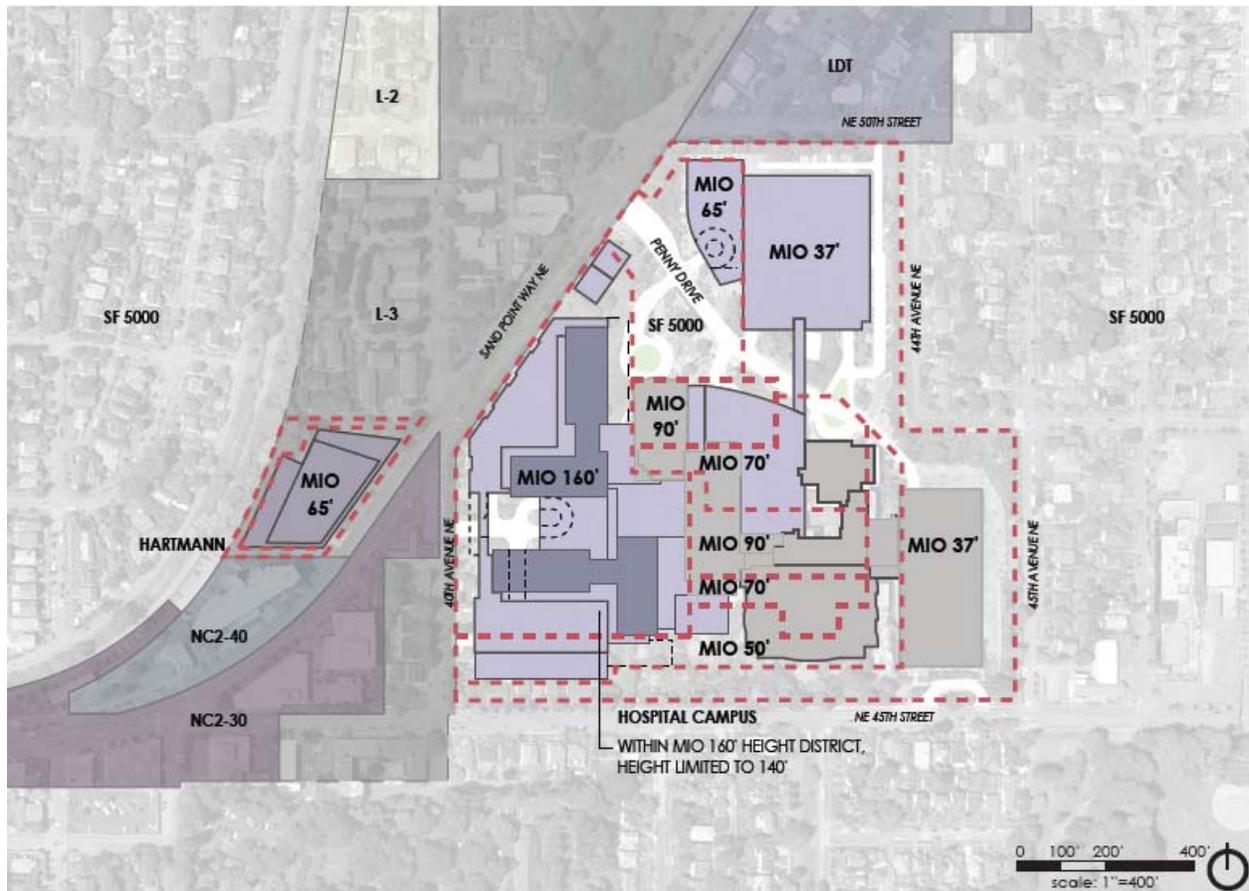


Figure 3. Proposed zoning and Major Institution Overlay (Final Master Plan pg 65)

Background

The Final Master Plan involves expansion of the MIO boundary to include the Laurelton Terrace site (Area A) and the Hartmann Property (Area B), as depicted in Figure 1. Expansion also involves increased height limits on the expansion sites and on portions of the existing campus.

The Final Master Plan shows the proposed MIO boundary changes in Figure 46 on page 65. The proposed overlay zoning changes are as follows (see also Figure 3):

| Location | Underlying Zoning | Existing Height* | Proposed Overlay Zoning | Proposed Height* |
|----------|-------------------|------------------|-------------------------|------------------|
| Area A | L3 | 30' | MIO | 160', 50', 37' |
| Area B | L3 | 30' | MIO | 65' |

*Refers to base height limits. The Land Use Code and Master Plan allow exceptions for certain pitched roofs and other appurtenances.

Area A: The Laurelon Terrace property immediately west of the existing campus, bounded by Sand Point Way NE on the northwest, 40th Ave NE on the west, and NE 45th St on the south. The Master Plan proposes to rezone the northern portions of this area to MIO 160 and the southern portions to MIO 50 and MIO 37.

Area B: The Hartmann property located at 4561 Sand Point Way NE is on the west side of the Sand Point Way NE. The Master Plan would designate this property as MIO 65.

Figure 46 on page 65 of the Final Master Plan depicts the proposed boundary changes and MIO designations. See Appendix A of the Final Master Plan for legal descriptions of the two properties within the MIO District Expansion Areas.

On the northern portion of Area A, Children's proposes to develop a new Emergency Department, new bed units, and Diagnostic and Treatment. On the southern portion, Children's proposes new bed units and a garage. The rezone and development Area A would demolish 136 housing units. The Master Plan results in the loss of housing in the Laurelhurst and Bryant neighborhoods, a significant impact for which the Land Use Code requires mitigation. SMC [23.34.124 B7](#) provides that "New or expanded boundaries shall not be permitted where they would result in the demolition of structures with residential uses or change of use of those structures to non-residential major institution uses unless comparable replacement is proposed to maintain the housing stock of the city." DPD has worked with Children's and Seattle's Office of Housing to propose reasonable mitigation that meets the above provision, discussed on page 52 below.

Area B currently contains clinic and office space. Children's proposes to redevelop the site for clinic and office space. The site currently supports no housing, and removal of the existing structure is not likely to result in significant impacts.

Incorporation of the proposed boundary expansion areas into the MIO District would result in a net increase in available patient care facilities.

The CAC delivered its status report to DPD on January 9, 2009. The report identifies Alternative 7R as the basis for its deliberation, to be "recognized as the alternative and the platform upon which the final approved plan is developed." The CAC has endorsed the

expansion of the MIO boundaries to include both the Laurelton Terrace site and the Hartmann site. The status report further identifies proposed development standards for any future development on the Hartmann site. DPD staff have participated in the CAC's deliberations, and DPD recognizes the intent of the CAC's proposed development standards. As the CAC's discussion is ongoing, this report does not incorporate or respond to the CAC's most recent input.

Height

All land located within the MIO District must be designated with one of the specific major institution height limits, per SMC [23.69.004](#), which range from 37' to 240'. The Master Plan proposes to establish MIO 37, 50 and 160 height limits in Area A and MIO 65 height limit in Area B.

The proposed height limit of Area A (Laurelton Terrace site) is 160' for the majority of the site, with a portion designated as MIO 50 in conformance with a contiguous MIO 50 district from the existing campus, and MIO 37 along the southern boundary. The current MIO heights on the existing campus range from MIO 37 on the north to MIO 70, MIO 90, dropping back to MIO 70 and then MIO 50 on the south. The Master Plan proposes to increase height limits to MIO 65 on the north, MIO 90, MIO 160 toward the west and center of the expanded campus, and MIO 50 on the south (see Figure 3 on page 45). The underlying residential Lowrise 3 zone allows heights up to 30', with increases allowed for pitched roofs or other rooftop features. The proposed MIO 37 is consistent with the allowed heights of both the lowrise zoning located to the west of the site, and the single family zoning located to the south of the site. The proposed 50' and 160' MIO height limits are substantially higher than allowed heights of the underlying zone, but are consistent with the adjacent existing MIO districts.

The proposed height limit of Area B (Hartmann site) is 65'. The property to the south is zoned Neighborhood Commercial 2 with a 40' height limit (NC2-40). Its existing nonconforming development is a condominium tower approximately 100' high. The proposed rezone to MIO 65 would provide for development that is lower than the existing Laurelhurst condominium and higher than existing L3-zoned development immediately to the north along Sand Point Way.

ANALYSIS – GENERAL REZONE CRITERIA

The code sections below are highlighted in bold, with analysis following:

SMC [23.34.008](#) General rezone criteria.

A. To be approved a rezone shall meet the following standards:

- 1. In urban centers and urban villages the zoned capacity for the center or village taken as a whole shall be no less than one hundred twenty-five percent (125%) of the growth targets adopted in the Comprehensive Plan for that center or village.**

Not applicable. Children's is located outside of an urban center or village.

- 2. For the area within the urban village boundary of hub urban villages and for residential urban villages taken as a whole the zoned capacity shall not be less than the densities established in the Urban Village Element of the Comprehensive Plan.**

Not applicable.

- B. Match Between Zone Criteria and Area Characteristics. The most appropriate zone designation shall be that for which the provisions for designation of the zone type and the locational criteria for the specific zone match the characteristics of the area to be rezoned better than any other zone designation.**

The proposed Master Plan includes an extension of the existing campus' MIO districts to include the Laurelon Terrace and Hartmann properties, both of which are zoned L3. On the Laurelon Terrace site, the proposed height districts would transition from MIO 160 to MIO 50 and MIO 37, and would reflect structures and uses currently in place on the existing hospital campus. Hartmann would be designated MIO 65 which would be lower than the 100' condominium building located in the NC2-40 zone to the south and higher than the L3-zoned property to the north. Proposed uses for the Hartmann site would be a continuation of the existing medical office and clinic use, and would be consistent with uses allowed in the adjacent NC zone to the south. Other commercial properties exist along Sand Point Way NE, from this site to the edge of the University of Washington campus, including the University Village shopping center. Between University Village and Children's, various offices are devoted to medical service uses. Children's proposed expansion of medical service uses along Sand Point Way NE would be consistent with existing commercial uses. It would represent a conversion of the Laurelon Terrace property from residential use to Major Medical Institution use.

- C. Zoning History and Precedential Effect. Previous and potential zoning changes both in and around the area proposed for rezone shall be examined.**

The underlying zoning for the existing 21.7-acre campus is single-family (SF 5000). Children's purchased the site in the 1950s, built its hospital, and has used the site continually since that time for hospital and related medical uses. Both the Laurelon Terrace and Hartmann properties are zoned residential Lowrise 3. Construction of the Hartmann building also occurred in the 1950s, and medical clinics have been located in the building continuously. The Hartmann site was originally zoned RM, a designation that allowed medical clinics. Construction of the Laurelon Terrace condominiums occurred in the same postwar era.

Apart from Citywide zoning updates (in the mid 1980s, for instance), the immediate area has experienced relatively few zoning changes. Children's applied for and achieved zoning updates on its campus as part of its 1994 Master Plan.

D. Neighborhood Plans.

- 1. For the purposes of this title, the effect of a neighborhood plan, adopted or amended by the City Council after January 1, 1995, shall be as expressly established by the City Council for each such neighborhood plan.**

Children's is not located in an area with an adopted neighborhood plan.

- 2. Council adopted neighborhood plans that apply to the area proposed for rezone shall be taken into consideration.**

There are no Council adopted neighborhood plans that apply to either Area A (Laurelon Terrace) or Area B (Hartmann).

- 3. Where a neighborhood plan adopted or amended by the City Council after January 1, 1995 establishes policies expressly adopted for the purpose of guiding future rezones, but does not provide for rezones of particular sites or areas, rezones shall be in conformance with the rezone policies of such neighborhood plan.**

Not applicable; no Council adopted neighborhood plans exist for any of the properties.

- 4. If it is intended that rezones of particular sites or areas identified in a Council adopted neighborhood plan are to be required, then the rezones shall be approved simultaneously with the approval of the pertinent parts of the neighborhood plan.**

Not applicable.

E. Zoning Principles. The following zoning principles shall be considered:

- 1. The impact of more intensive zones on less intensive zones or industrial and commercial zones on other zones shall be minimized by the use of transitions or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred.**

Children's Master Plan includes a distribution of MIO districts that transition building heights downward from the center of the campus toward the single family zoned properties on the east and south and the residential lowrise zoned properties on the north. Along Sand Point Way NE and 40th Ave NE, Children's proposes to locate the entrance to the new Emergency Department, a transit stop and hospital-related commercial uses, which would limit the opportunity to incorporate deep, landscaped buffers to existing development to the west across 40th Ave NE. In its Master Plan, Children's states that it intends to terrace the building façades back from the street as heights increase. Along the northern two-thirds of the site, Children's proposes an MIO 160. Building heights up to 160' in direct relation to zoned heights of 30' would present an aesthetic impact warranting mitigation. Considering the proposed disparity in allowed heights either side

of 40th Ave NE, DPD concludes it is appropriate to condition the height along the western edge of the Laurelon property and to require upper level setbacks, to provide an improved transition in height, bulk and scale.

For the existing campus and Area A, the Master Plan's basic siting considerations are generally sensitive to the hospital's neighborhood context. It locates the principal massing of new construction at the center of the site or at the bottom of the slope, toward the principal arterial. It locates driveways and major entrances away from most of the surrounding residential properties. It provides deep vegetated buffers around most of the campus periphery. For properties to the east of the site, the Master Plan represents transitions comparable to existing conditions. For properties to the west, the Master Plan employs effective strategies to facilitate an improved transition, but the proposed transition from 30' height limits to 160' zoned heights across 40th Ave NE justifies further conditioning for decreased heights along the street wall and increased upper-level setbacks.

Considering the context of Area B, the Master Plan provides adequate buffers and height transitions. To the south of the Hartmann site, the neighboring structure's existing height and intensity of use is congruous with the Master Plan's proposed zone change. Along the site's northeast edge, Children's proposes to provide a midblock pedestrian access from Sand Point Way NE to the Burke Gilman trail. It proposes to maintain the existing mature redwood grove at the site's northeast corner. Immediately to the northwest is the Burke Gilman trail, which is itself buffered from the site by a steep downward slope. These existing and planned features are sufficient to effectively buffer the adjacent residences from site's proposed development.

2. Physical buffers may provide an effective separation between different uses and intensities of development. The following elements may be considered as buffers:

a. Natural features such as topographic breaks, lakes, rivers, streams, ravines and shorelines;

There is a topographic break between the properties to the west of the Burke-Gilman Trail and the Hartmann property (Area B). There are no natural features separating the existing campus and the Laurelon Terrace property (Area A) from adjacent or nearby properties.

b. Freeways, expressways, other major traffic arterials, and railroad tracks;

The existing Children's campus is contiguous to the Laurelon Terrace property. Together, the entire site would be separated from other properties by rights of way, including Sand Point Way NE on its northwest side, a principal arterial. The Hartmann site is bounded on the east by Sand Point Way NE and on the west by the right-of-way of the Burke-Gilman Trail.

c. Distinct change in street layout and block orientation;

Sand Point Way NE is a principal arterial oriented NE-SW at the site. Its design and current traffic volumes effectively present an edge condition for the neighborhoods located on either side. Compared to the elongated, rectangular blocks in nearby residential neighborhoods, blocks adjacent to Sand Point Way NE are generally smaller, triangular or wedge-shaped, and are often characterized by multiple driveway accesses. This street layout and block orientation are organized around vehicle travel along Sand Point Way NE, and tend to de-emphasize travel along the vicinity's residential streets.

d. Open space and greenspaces.

The existing Children's campus has heavily landscaped buffers along the north, east and south boundaries. Children's proposes to increase the 20' landscaped buffer along the north property line to 40' on the western third and 75' on the eastern two-thirds. Along its east property line, Children's would maintain its existing 75' landscaped buffer, and it would increase to 75' the portion that is currently 40' deep. On the south property line, it would maintain the existing 75' buffer. The Master Plan would establish a new 40' buffer along the south property line on the Laurelon Terrace site. In keeping with current practice, the Master Plan proposes to design landscaping that is sensitive to its purpose as a buffer element.

Laurelhurst playfield is a large public open space located to the southeast of the main campus. Considering that the Master Plan proposes no substantial height changes on the campus' east side, users of this open space are likely to perceive no change in the built environment from this perspective.

The Talaris Research and Conference Center is a large private property located to the southwest of the main campus, separated from NE 45th St by a single row of homes. The site is located in a single family zone, and is occupied by an institutional use. The property is characterized by low-density development, park-like open spaces and mature tree cover. While this site is unlikely to act as a further buffer for nearby residential properties, its users are also unlikely to perceive any change to the built environment resulting from the Master Plan.

Children's has planned the Hartmann development to protect the existing grove of redwood trees with a 60' by 80' buffer area located at the northwest corner of the site. The remainder of the north, east, and south property lines would have a 20' landscaped buffer.

3. Zone Boundaries.

a. In establishing boundaries the following elements shall be considered:

- (1) Physical buffers as described in subsection E2 above;**
- (2) Platted lot lines.**

The proposed expansion areas follow platted lot lines. The inclusion of Area A (Laurelon Terrace) would create a contiguous campus separated on all sides from adjoining properties by rights of way of varying widths and intensities. The Burke Gilman Trail and its right of way are a physical buffer to the west of the Hartmann site, and Sand Point Way NE buffers the site on the west. The Master Plan proposes landscaped buffers along the south, west, and north property lines.

- b. Boundaries between commercial and residential areas shall generally be established so that commercial uses face each other across the street on which they are located, and face away from adjacent residential areas. An exception may be made when physical buffers can provide a more effective separation between uses.**

The northern portion of the Hartmann site is located directly across Sand Point Way NE and would face the hospital entrance. The Burke-Gilman Train separates the property from single family residences to the west. The proposed expansion to the Laurelon Terrace property is intended to orient the hospital activities towards Sand Point Way NE and away from the adjacent residential areas to the north, east and south.

- 4. In general, height limits greater than forty (40) feet should be limited to urban villages. Height limits greater than forty (40) feet may be considered outside of urban villages where higher height limits would be consistent with an adopted neighborhood plan, a major institution's adopted master plan, or where the designation would be consistent with the existing built character of the area.**

Children's is located outside of an urban village. Over the course of the Major Institution Master Planning process, proposed height limits have been an important and sustained focus of public comment, CAC deliberation, and DPD review. The Master Plan would increase height limits to as much as 160' in Area A. Most structures in the vicinity reflect this principle's 40' guideline, with various exceptions. Most notable are nonconforming structures such as the Laurelhurst condominiums, and existing structures built under Children's current Major Institution Master Plan. As recognized by this principle, increased heights outside of urban villages are appropriate if adopted in a Major Institution Master Plan.

F. Impact Evaluation. The evaluation of a proposed rezone shall consider the possible negative and positive impacts on the area proposed for rezone and its surroundings.

- 1. Factors to be examined include, but are not limited to, the following:**

- a. Housing, particularly low-income housing;**

The proposed expansion to Area A (Laurelon Terrace) involves demolition of 136 homes. The FEIS identifies and evaluates this impact in Section 3.8 of the Final EIS. As stated above in the rezone analysis (page 45), SMC [23.34.124 B7](#)

provides that “New or expanded boundaries shall not be permitted where they would result in the demolition of structures with residential uses or change of use of those structures to non-residential major institution uses unless comparable replacement is proposed to maintain the housing stock of the city.”

DPD recommends that Council amend the Master Plan to incorporate a Memorandum of Agreement (MOA) between the Children's and the City. The MOA should include the following elements:

In the event that Children's does not directly provide replacement housing, it must make an in-lieu payment. It can meet this obligation by making a payment in the form of a grant or equity sufficient to cause the construction of at least 136 replacement housing units.

With other Major Institution Master Plans, the City has required the major institution to provide replacement housing or contribute sufficient funds to cause replacement housing to be produced. This amount has changed over time as construction costs have increased. Applying this same rationale to Children's, DPD recommends a condition requiring that the hospital provide funds to produce affordable rental housing.

For the replacement of the 136 Laurelon Terrace units, DPD recommends that Children's must make a payment in the amount of \$5 million to the City or to a housing developer approved by the City.

The replacement housing must be located in northeast Seattle. The replacement housing funds may not be used to rehabilitate existing housing. The funds may be used for new construction or to rehabilitate existing buildings not currently in use as housing. Children's must make the payment or place the housing in service prior to the date of the issuance of the initial Certificate of Occupancy for Children's Phase 1 expansion.

The Laurelon Terrace units provide housing for moderate income residents. Children's replacement housing must be affordable to households whose incomes are no higher than median household income as established by Department of Housing and Urban Development guidelines for the Seattle Metropolitan Statistical Area. The replacement housing shall remain affordable by the above definition for a term of 50 years.

Children's Hospital and the Seattle Office of Housing are in the process of determining which housing developments to fund. The Office of Housing has identified the following as potentially eligible options to satisfy Children's obligation to provide replacement housing pursuant to SMC [23.34.124 B7](#):

- *Housing at Sand Point Magnuson Park;*

- *Other housing in northeast Seattle proposed by Children's and approved by the Office of Housing, such as Housing Resource Group (HRG) projects.*

Children's will collaborate with the Office of Housing to identify projects to satisfy its replacement housing obligation. Children's must submit its proposal to the Office of Housing, which will review the proposal for consistency with these requirements. Office of Housing and the owner of the replacement housing must execute a regulatory agreement, which must be recorded, in order to ensure the long-term affordability of the replacement housing units.

So conditioned, the Master Plan would incorporate an appropriate strategy for comparably replacing existing housing proposed to be demolished.

b. Public services;

Section 3.11 of the Final EIS evaluates impacts of the proposed expansion on public services and utilities. An expanded population of staff, patients and visitors would increase the potential for calls to fire and police, increase water supply and discharge needs and increase solid waste disposal. DPD has determined that these impacts are not likely to be significant. Children's core mission complements the provision of necessary public services.

c. Environmental factors, such as noise, air and water quality, terrestrial and aquatic flora and fauna, glare, odor, shadows, and energy conservation;

DPD prepared a Draft and Final EIS that consider potential impacts of Children's proposed Master Plan, including the expansion of the MIO boundaries and increased MIO heights.

Considered in its context, the Master Plan's proposed growth is likely to cause minimal impacts to local water resources, terrestrial and aquatic flora and fauna.

The FEIS identifies intermittent significant unavoidable adverse noise impacts during periods of certain construction activities (demolition, excavation, and structure erection). These noise impacts are to be expected of construction projects of this scale, and would vary depending residents' proximity to construction activities. Children's proposes various mitigations to address construction-related noise impacts. The expansion is not likely to result in long-term noise impacts related to ongoing hospital operations.

The FEIS identifies no significant odor impacts to the surrounding neighborhood resulting from the proposed expansion.

During winter months, the Master Plan's proposed new structures would cast morning shadows on some homes to the north and northwest of the campus.

Shadow impacts would be limited to morning hours during the winter months. Sensitive selection of finish materials and appropriate organization of principal façades should appropriately mitigate against potential glare impacts. The new construction would include a number of energy conservation features, all designed to enhance energy efficiency.

d. Pedestrian safety;

The Master Plan and its Transportation Management Program address measures to expand pedestrian access to the hospital. It identifies improvements to internal campus pedestrian connections, measures to strengthen pedestrian and bicycle connections along Sand Point Way NE, and across Sand Point Way NE to the Burke-Gilman Trail. The intent is to reduce single-occupancy-vehicle traffic to the campus and to reduce incidences of pedestrian-car conflict.

e. Manufacturing activity;

Not applicable

f. Employment activity;

The Master Plan's proposed rezones would facilitate an increase in hospital beds, clinic and office space, which would create additional employment opportunities on this site. The expansion could support secondary employment opportunities at nearby businesses providing neighborhood services, such as banks, fitness centers, cleaners, and retail.

g. Character of areas recognized for architectural or historic value;

The Final EIS identified no impacts to resources of architectural or historic value.

h. Shoreline view, public access and recreation.

The Master Plan's proposed expansion would impact no shoreline view, public access or recreation. The Children's campus and gardens will continue to be open to neighbors in a manner consistent with reasonable security measures, and the Master Plan prioritizes the design of pedestrian connections that would encourage neighborhood access across the campus to transit opportunities.

2. Service Capacities. Development which can reasonably be anticipated based on the proposed development potential shall not exceed the service capacities which can reasonably be anticipated in the area, including:

a. Street access to the area;

The existing street network provides adequate access to the site. The Master Plan proposes to maintain the principal vehicle access to campus from Sand Point Way NE at Penny Drive. The proposed campus expansion to the Laurelton Terrace site assumes the eventual vacation of 41st Ave NE and NE 46th St between Sand Point

Way NE and 40th Ave NE. Children's proposes two new street accesses along 40th Ave NE.

b. Street capacity in the area;

The FEIS evaluates arterials adjacent to both sites (including Hartmann) for Level of Service (LOS) capacity as part of the Final EIS (see Section 3.10). Projected 2030 urban growth is likely to increase regional and local traffic within the study area both with and without the project. The Master Plan's proposed growth would also increase area-wide and local traffic on the routes serving the site, resulting in increased travel times. Children's would adopt an enhanced transportation management program to provide additional incentives to reduce single-occupant vehicle trips to campus. Additional mitigation is described in Section VI – SEPA Analysis, below, and discussed further in the Final EIS.

c. Transit service;

Children's is in the process of enhancing its existing shuttle services and is exploring expanded shuttle service to accommodate future needs. The hospital has partnered with King County Metro to ensure adequate transit service to the hospital. Children's states it will continue to foster similar partnerships in the future.

d. Parking capacity;

Children's proposes to provide 3,100 parking spaces on campus and, as needed, up to an additional 500 spaces at off-site leased lots. The 3,100 parking spaces would meet the Land Use Code's required parking. The FEIS estimates that this supply, plus additional off-site leased spaces should meet projected parking demand.

e. Utility and sewer capacity;

There is adequate capacity in existing utilities and sewer systems to handle the increased demand from the proposed expansion.

f. Shoreline navigation.

Not applicable.

G. Changed Circumstances. Evidence of changed circumstances shall be taken into consideration in reviewing proposed rezones, but is not required to demonstrate the appropriateness of a proposed rezone. Consideration of changed circumstances shall be limited to elements or conditions included in the criteria for the relevant zone and/or overlay designations in this chapter.

City Council approved the existing Master Plan in 1994. At that time, Children's did not own either the Hartmann or Laurel Terrace properties. Since 1994, the University Village

shopping center has expanded, and the commercial area along Sand Point Way NE between the shopping center and Children's campus has developed with additional commercial businesses. The hospital now has an agreement to purchase the Laurelton Terrace condominiums.

H. Overlay Districts. If the area is located in an overlay district, the purpose and boundaries of the overlay district shall be considered.

Not applicable. Aside from the Major Institutional Overlay, none of the subject properties (hospital campus, Hartmann property, and the Laurelton Terrace site) are subject to zoning overlays.

I. Critical Areas. If the area is located in or adjacent to a critical area (SMC Chapter [25.09](#)), the effect of the rezone on the critical area shall be considered.

The west side of the main campus is currently bounded by a high retaining wall. As this topographic break is the result of previous legal grading, it is exempt from steep slope standards and should not affect the siting of proposed new development. No portion of the Laurelton Terrace site is designated as Environmentally Critical Area. A portion of the Hartmann property is designated as environmentally critical (steep slope), where the site abuts the Burke-Gilman Trail. Any future disturbance of this slope would require analysis of the slope's origin, and a decision about whether this area is appropriately exempted from steep slope development standards. Any future application to develop the Hartmann site must account for the long-term stability of the site and of the proposed new construction.

ANALYSIS – SMC [23.34.124](#) (MIO CRITERIA)

The Land Use Code addresses criteria specific to designation of MIO districts or changes in allowed heights. This reports states the criteria in **bold**, with analyses below.

- **Public Purpose. The applicant shall submit a statement which documents the reasons the rezone is being requested, including a discussion of the public benefits resulting from the proposed expansion, the way in which the proposed expansion will serve the public purpose mission of the major institution, and the extent to which the proposed expansion may affect the livability of the surrounding neighborhood. Review and comment on the statement shall be requested from the appropriate Advisory Committee as well as relevant state and local regulatory and advisory groups.**

Children's has submitted the following rationale as part of its application:

Children's proposes to expand its current Major Institution Overlay (MIO) boundary to include the Laurelton Terrace and Hartmann properties in order to reduce the intensity of development on the existing 21.7 acre campus. This creates an opportunity to reduce the need for additional building area and height on the existing hospital campus while providing contiguous and adjacent locations for growth to serve the need for pediatric care in the hospital's service area, and helps to disperse related traffic. Maximum building heights, with the expanded campus, can be kept below the elevation of the tallest buildings now on the existing campus. The use of the

Laurelon Terrace and Hartmann properties eliminates the need for vehicle access to the campus from the neighborhood streets of NE 45th Street and NE 50th Street, and provides the opportunity for a two-directional transit center on both sides of Sand Point Way NE to serve Children's and the adjoining neighborhoods.

The statement is a reiteration of Children's presentations at various meetings of the Citizens Advisory Committee, and its elements are covered extensively in the Final Master Plan. The CAC delivered comments in response to the Draft Master Plan and EIS, and DPD anticipates further CAC input as outlined in SMC [23.69.032 G](#). In relation to the proposed Master Plan, DPD has received and has considered numerous comments from interested state and local agencies, community organizations and individuals. Comments addressed the proposed expansion to Laurelon and Hartmann, reduction in proposed heights overall, effective siting to provide for strategic growth, driveway access location, and enhanced transit opportunities.

The CAC's status report of January 9, 2009 provided no specific input in this regard.

- **Boundaries Criteria**

1. ***Establishment or modification of boundaries shall take account of the holding capacity of the existing campus and the potential for new development with or without a boundary expansion.***

Children's has largely completed the growth envisioned in its 1994 Master Plan, and relatively little development capacity remains. Children's has demonstrated that the existing campus could accommodate additional development, but at much greater heights and densities than proposed in the Final Master Plan. Under alternative scenarios, any new development on the existing campus would likely displace existing hospital facilities, and would likely cause substantial disruption of hospital operations. Early in the MIMP process, Children's proposed such alternatives as preferred, and received clear feedback from the CAC and other interested parties that tower development on the main campus was of principal concern.

Alternatives 6 and 8 do not expand the MIO boundary to include Hartmann. Alternatives 3 and 7R include the Hartmann expansion. If expansion of the institution to the Hartmann site were not to occur, Children's would propose to locate a proportionate increment of future growth at the southwest corner of the Laurelon Terrace site, as shown in Alternative 8.

2. ***Boundaries for an MIO district shall correspond with the main, contiguous major institution campus. Properties separated by only a street, alley or other public right-of-way shall be considered contiguous.***

The above criterion considers both Areas A and B to be contiguous to the existing campus. As the Laurelon site (Area A) abuts the western edge of the existing campus, this expansion clearly satisfies the criterion. Sand Point Way NE passes directly between the Hartmann site (Area B) and the northern portion of the Laurelon Terrace site. There is a direct east-west adjacency between Areas A and B across Sand Point Way NE.

3. *Boundaries shall provide for contiguous areas which are as compact as possible within the constraints of existing development and property ownership.*

The boundaries would contain only the proposed and potential development. The proposed boundaries enclose only properties in which Children's has outright ownership or a clear ownership interest. As such, the Final Master Plan draws the proposed boundaries as compactly as possible.

4. *Appropriate provisions of this Chapter for the underlying zoning and the surrounding areas shall be considered in the determination of boundaries.*

DPD considers this criterion to apply primarily in instances when a Master Plan proposes to include in the MIO properties under separate non-institutional ownership. In Children's Final Master Plan, this is not the case, as Children's would own all subject properties and would develop them to the extent allowed by their respective MIOs. The Master Plan and FEIS focus extensively on how Children's proposed growth relates to surrounding areas, and DPD does not consider further modification of surrounding zones to be warranted.

5. *Preferred locations for boundaries shall be streets, alleys or other public rights-of-way. Configuration of platted lot lines, size of parcels, block orientation and street layout shall also be considered.*

The proposed boundary changes locate the MIO boundaries at streets or other public rights-of-way (such as the Burke-Gilman Trail). The proposed boundary changes all relate to existing parcel lines. This report considers the proposed expansion in light of these identified features on page 50.

6. *Selection of boundaries should emphasize physical features that create natural edges such as topographic changes, shorelines, freeways, arterials, changes in street layout and block orientation, and large public facilities, land areas or open spaces, or greenspaces.*

The proposed boundary changes are consistent with this criterion. Area A follows the layout, including street boundaries, of the existing Laurelon Terrace development. Area B encompasses the entire parcel bounded on the west by the Burke-Gilman Trail right-of-way and on the east by Sand Point Way NE. This report considers the proposed expansion in light of these identified features on page 50.

7. *New or expanded boundaries shall not be permitted where they would result in the demolition of structures with residential uses or change of use of those structures to non-residential major institution uses unless comparable replacement is proposed to maintain the housing stock of the city.*

The Final Master Plan involves displacement of 136 residential townhouse units. In order to maintain this lost housing stock, Children's will contribute to the replacement of at least 136 housing units in northeast Seattle for the demolished housing. Children's has informed the

City's Office of Housing and DPD that it will work with non-profit housing organizations and the City's Office of Housing and DPD to establish a binding agreements for a specific package of replacement housing. Section 3.8 of the Final EIS discusses the displacement of housing.

DPD has reviewed the proposed demolition of housing and has identified reasonable conditions for comparable replacement, as discussed on page 52 and as recommended in section VII.

8. *Expansion of boundaries generally shall not be justified by the need for development of professional office uses.*

Children's proposes to expand to Areas A and B primarily to facilitate development of facilities central to its pediatric care mission. Medical office space is a likely corollary, but Children's justifies both expansions primarily for purposes other than the development of professional offices.

• **Height Criteria.**

1. *Increases to height limits may be considered where it is desirable to limit MIO district boundary by expansion.*

The proposed increase in the height limit for Area A is from the underlying zoning maximum of 30' to the overlay maximum of 160'. For Area B, the proposed increase is from the underlying zoning maximum of 30' to the overlay maximum of 65'. The existing campus has a maximum MIO 90 in the center of the campus. Under earlier alternatives, Children's proposed to grow within its existing campus and without the proposed expansion areas. Alternative 2 involved an increase of all existing MIO heights, with a portion of the campus designated MIO 240. Alternative 6 involved an increase of all existing MIO heights with a central portion of the campus from MIO 70 and MIO 90 to MIO 160. The expansion of the MIO to include Areas A and B and to increase the height for Area A and Area B would minimize the need for height increases on the eastern portion of the existing campus, adjacent to single family zoning. Through its collaboration with the CAC and neighbors, Children's eliminated earlier alternatives that would have located taller buildings closer to residential neighborhoods.

2. *Height limits at the district boundary shall be compatible with those in adjacent areas.*

The Final Master Plan proposes height limits that progressively step down toward less intensive zones, in deference to Land Use Code principles and consistent input obtained through the MIMP process. The steep topography at the northeast edge of the Laurelon site provide for a compatible relationship between existing campus development and the 160' height limit for the northern portion of Area A. On the south, Children's proposes a MIO 37 district and a landscaped buffer of 40', an appropriate transition to the single family neighborhood to the south of NE 45th St. On the western property edge, the Final Master Plan proposes no buffer. Without enhanced mitigation, DPD considers the proposed 160' height limit on the northern two-thirds of the western edge to be incompatible with the L3-zoned heights of 30' across 40th Ave NE. DPD therefore recommends appropriate conditioning.

The proposed height limit of Area B (Hartmann site) is 65'. The Master Plan's proposed height limit for Area B exceeds height limits for the adjacent L3 and NC zones by 25-30'. The property to the south is zoned Neighborhood Commercial 2 with a 40' height limit (NC2-40). Its existing nonconforming development is a condominium tower approximately 100' high. The proposed rezone to MIO 65 would provide for development that is lower than the existing Laurelhurst condominium and higher than existing L3-zoned development immediately to the north along Sand Point Way. To the west, the Burke Gilman Trail is located at the top of a high, steep bank. For residents located to the west, the trail, the slope, and existing vegetation effectively obscure from view most of the proposed development on the Hartmann site.

3. *Transitional height limits shall be provided wherever feasible when the maximum permitted height within the overlay district is significantly higher than permitted in areas adjoining the major institution campus.*

The 160' height proposed for Area A is significantly higher than is otherwise possible in the adjacent zones to the west and south. In both cases, the proposed MIO 160 district would be buffered from the L3 and single family zones by the width of a public right-of-way and associated setbacks, approximately 90'. On the south, Children's proposes to step back the overall building mass in deference to the less intensive zones, and to locate a MIO 50 and MIO 37 along NE 45th St. In addition, Children's proposes a landscaped buffer of 40'. The combined 100' width of the street and landscaped buffer should provide effective relief at the zone edge from impacts of height, bulk and scale. On the west property line, the elevations contained in Figure 39 of the Final Master Plan show the higher buildings located toward the east, away from the street edge, with buildings below MIO 50 at the western edge. To provide for a transitional height limit to the L3 and NC2-30 zoning on the west side of 40th Ave NE, DPD recommends a condition to require upper-level setbacks above 50' and decrease structure heights along the street edge for the northern two-thirds of the site (see Section VII).

As discussed above, the proposed 65' height limit for the Hartmann site (Area B) presents no unwarranted impacts to less intensively zoned properties to the north, south, or west.

4. *Height limits should generally not be lower than existing development to avoid creating non-conforming structures.*

The proposed height limits are not lower than existing development on the subject sites.

5. *Obstruction of public scenic or landmark views to, from or across a major institution campus should be avoided where possible.*

The Final EIS identifies no substantial impacts from Final Master Plan development on public views to scenic amenities such as Lake Washington, Mount Rainier, or the Olympics.

- **In addition to the general rezone criteria contained in Section [23.34.008](#), the comments of the Major Institution Master Plan Advisory Committee for the major institution requesting the rezone shall also be considered.**

DPD staff and consultants attended CAC meetings during the MIMP process and considered comments and discussion throughout. DPD's Environmental Impact Statement reflects potential impacts and proposed mitigation identified by individual members and working groups of the CAC. At one point in its review, the CAC narrowly passed a motion to recommend that Children's exclude the Hartmann site from the MIO expansion. The CAC has since requested an evaluation of development potential on the Hartmann site under a variety of scenarios and voted to include the site within the MIO boundaries.

The CAC delivered its status report to DPD on January 9, 2009. The report identifies Alternative 7R as the basis for its deliberation, to be "recognized as the alternative and the platform upon which the final approved plan is developed." The CAC has endorsed the expansion of the MIO boundaries to include both the Laurelon Terrace site and the Hartmann site. The status report further identifies proposed development standards for any future development on the Hartmann site. DPD staff have participated in the CAC's deliberations, and DPD recognizes the intent of the CAC's proposed development standards. As the CAC's discussion is ongoing, this report does not incorporate or respond to the CAC's most recent input.

RECOMMENDATIONS -- REZONE

The Director recommends **APPROVAL** of the proposed rezone subject to conditions outlined in Section VII.

VI. ANALYSIS – SEPA

A. Introduction

Environmental review resulting in a Threshold Determination is required pursuant to the Washington Administrative Code [197-11](#), and the Seattle SEPA Ordinance (Seattle Municipal Code Chapter [25.05](#)). The DPD Director determined that the project had a potential to result in significant adverse impacts to the following areas of the environment, per SMC [25.05.360](#):

- Geology
- Air Quality
- Water
- Energy and Natural Resources
- Noise
- Hazardous Materials
- Land Use
- Housing
- Aesthetics (height, bulk and scale)
- Light, Glare and Shadow
- Transportation and Traffic
- Public Services and Utilities

Accordingly, DPD published a Determination of Significance on August 6, 2007, and sent notices to parties of interest. DPD held a scoping meeting pursuant to SMC [25.05.410](#) on August 23, 2007, in conjunction with the scoping process. DPD published the Draft EIS on June 9, 2008. DPD also concurrently published public notice of the availability of this document, a Notice of Availability of the Draft Master Plan, and the Notice of Public Hearing. On July 10, 2008, DPD held a Public Hearing on the project, as required under SMC [25.05.502](#). During the public comment period, DPD received a total of approximately 600 written comments from members of the public and affected agencies. In addition, 66 individuals provided oral comments at the hearing. DPD published a Final EIS on November 10, 2008, including additional information on the project as well as responses to the comment letters.

The EIS provides a basis upon which the responsible agency and officials can make the balancing judgment mandated by SEPA, because it provides information on the environmental costs and impacts. However, additional environmental review may be required at the time of seeking permits for any potential project disclosed in the Master Plan. Such authority is provided in SMC [25.05.055](#) and [25.05.600](#).

The SEPA Overview Policy (SMC [25.05.665](#)) clarifies the relationship between codes, policies and environmental review. Specific policies for each element of the environment, certain neighborhood plans, and other policies explicitly referenced may serve as the basis for exercising substantive SEPA authority. The Overview Policy states, in part, "Where City regulations have been adopted to address an environmental impact, it shall be presumed that such regulations are adequate to achieve sufficient mitigation" subject to some limitations. Under such limitations/circumstances the lead agency may consider mitigation.

B. Short - Term Impacts

DPD anticipates short-term or construction-related impacts as a result of approval of the Final Master Plan. DPD anticipates minor or no short-term impacts to water, energy and natural resources, hazardous materials, land use, housing, aesthetics/light, glare and shadows, and public services and utilities. No SEPA conditioning is warranted at this time for these elements of the environment. This report discusses geology, air quality, noise, and transportation below.

Geology, Excavation and Grading

The FEIS discusses short-term construction impacts related to geology on pages 3.1-2 and 3.1-3. The proposed Master Plan would include demolition, excavation, and disposal of approximately 498,000 cubic yards of material for all phases of the Master Plan. The FEIS notes truck trips in the subsequent section related to short-term transportation and parking impacts. The grading activity and materials hauling would vary by phase and ranges from five to seven months for each phase (Table 3.10-12a in the Final EIS).

Construction would occur in four phases spread over approximately 20 years. Short-term construction impacts related to geology include:

- Demolition, excavation, and disposal of approximately 498,000 cubic yards of material for all phases of the Master Plan.
- The activity creating the disposal material would vary by phase and ranges from five to seven months for each phase.
- For alternatives that include the redevelopment of the Hartmann property, vertical cuts along the western property line at the base of the steep slope would be required to accommodate below-grade structures and parking. Unless the appropriate precautions are employed, these soils are potentially susceptible to land slides.
- Erosion of soils, tracking of mud by construction vehicles and dust impacts would occur.

DPD Recommendation

Construction related impacts may adversely affect the local neighborhood. The extent and duration of the impacts may be substantial. DPD therefore recommends that Council condition its approval of the Final Master Plan as follows:

The mitigation measures in Section 3.1.3 of the Final EIS shall apply and are reiterated in Section VII below.

Air Quality

Short-term construction impacts including site preparation, demolition and construction would generate carbon monoxide from construction vehicles and equipment. Dust may also contribute to a local deterioration of air quality over typical construction periods of projects. The FEIS discusses construction impacts in Section 3.2.2.1 of the Final EIS.

Short-term construction impacts to air quality include:

- For alternatives that include the demolition of the existing Laurelon Terrace buildings, there is a potential for lead paint or asbestos to be found due to the age of the buildings which could be released into the atmosphere and/or present a hazard to workers.
- Site preparation, demolition and construction would generate carbon monoxide from construction vehicles and equipment.
- Dust may also contribute to a local deterioration of air quality over typical construction periods of projects.
- Secondary air quality impacts may occur from construction-related traffic having to travel at reduced speeds if traveling during peak traffic periods.
- During helicopter landings, there is a potential for unsecured construction materials to be moved by wind turbulence.

DPD Recommendation

Construction related air quality impacts may adversely affect the local neighborhood. The extent and duration of the impacts may be substantial. DPD therefore recommends that Council condition its approval of the Final Master Plan as follows:

Puget Sound Clean Air Agency (PSCAA) regulations require control of fugitive dust to protect air quality and would require approval for removal of asbestos (if any) during demolition. DPD typically conditions Master Use Permits involving demolition, as there is no permit process to ensure that the applicant would notify PSCAA of the proposed demolition. DPD recommends a condition pursuant to SEPA authority under SMC [25.05.675 A](#), requiring Children's to submit to DPD a copy of the PSCAA Notice of Intent to Demolish before issuance of any demolition permit as disclosed in the Master Plan and evaluated in the Final EIS. This would ensure proper handling and disposal of asbestos, if it is encountered on the site.

The mitigation measures in Section 3.2.3 of the Final EIS shall apply and are reiterated in Section VII.

Noise

The FEIS describes construction noise impacts in Section 3.5.2. Lengthy construction schedules for the phases of the Master Plan appear to warrant control of noise impacts that could possibly affect adjacent residential homes. While the City's Noise Ordinance (SMC [25.08](#)) establishes maximum permissible sound levels to which Children's must adhere, residential homes adjacent to the MIO boundaries may be adversely impacted by construction related noise.

Construction noise would occur with the development of projects during each of the planned construction phases over the proposed 20 year Master Plan period.

- Noise would result from demolition, excavation activities, structure erection and interior work.
- The extent and duration of the construction noise impacts may be substantial. Construction noise for each alternative will impact the surrounding neighborhood differently due to the location and timing of the construction of the proposed buildings.
- While the City's Noise Ordinance (SMC 25.08) establishes maximum permissible sound activities that the project intends to adhere to, major residential developments adjacent to the MIO boundaries may be adversely impacted by construction-related noise.

DPD Recommendation

Construction related noise impacts may affect the local neighborhood. The extent and duration of the impacts may be substantial. DPD therefore recommends that Council condition its approval of the Final Master Plan as follows:

The mitigation measures in Section 3.2.3 of the Final EIS shall apply and are reiterated in Section VII below. In addition, pursuant to the City's SEPA authority under SMC [25.05.675 L](#), Children's shall prepare a Construction Noise Management Plan (CNMP) to address mitigation of noise impacts resulting from construction activities. The Plan shall include measures to control construction related noise, efforts to mitigate noise impacts and community outreach concerning likely impacts and mitigation efforts. Children's may also incorporate the Plan into any Construction Management Plans required to mitigate any short-term transportation impacts that result from the project – DPD would likely require a campus-wide CNMP at such time. When Children's applies for planned or potential projects, and if it uses the Final EIS to disclose impacts, DPD may require a more detailed or site-specific CNMP at that time to address particular impacts identified in an environmental addendum. (For recommended conditions, see Section VII below).

Transportation

Construction of all identified phases of the Master Plan would involve extensive grading for the building foundations and related subterranean garage. These activities individually would take place over several weeks or months and generate approximately 36 to 68 truck round- trips per day, depending on the development phase. DPD expects construction workers to generate a maximum of approximately 230 vehicle trips during peak times. Additional trips during peak hour traffic, particularly by large construction vehicles, will likely have adverse effects on traffic flow. If Children's constructs projects concurrently, DPD anticipates greater impacts in this regard. The Municipal Code (SMC [11.62.060](#)) requires truck-trailer or truck semi-trailer used for hauling to use major truck streets and take the most direct route to or from one of the major truck streets to their destination.

DPD Recommendation

Construction related traffic impacts may affect the neighborhood. The extent and duration of the impacts may be substantial DPD therefore recommends that Council condition its approval of the Final Master Plan as follows:

The mitigation measures in Section 3.10.10.1 of the Final EIS shall apply and are reiterated in Section VII. These measures include a Construction Management Plan to be submitted to DPD for concurrent review and approval with Seattle Department of Transportation (SDOT) to mitigate impacts. This is pursuant to SMC [25.05.675 B](#) (Construction Impacts Policy) and SMC [25.05.675 R](#) (Traffic and Transportation). The plan shall identify management of construction activities including construction hours, parking, traffic and issues concerning street and sidewalk closures. Prior to issuance of any Master Use Permit for future construction, Children's shall submit for DPD review and approval a Construction Management Plan. If appropriate,

Children's shall amend the plan for each project during their respective SEPA reviews, when Children's discloses site specific impacts for conditioning under SMC [25.05.660](#).

C. Long-Term/Cumulative Impacts

DPD anticipates long-term or use-related impacts as a result of approval of the Final Master Plan including: increased height, bulk and scale on the site; increased traffic in the area and increased demand for parking.

Several adopted City Codes and ordinances provide mitigation for some of the identified impacts. Specifically these are: the Stormwater, Grading and Drainage Control, the City Energy Code would require insulation for outside walls and energy efficient windows. The Land Use Code controls site coverage, setbacks, building height and use and contains other development and use regulations to assure compatible development. Compliance with these applicable codes and ordinances is adequate to achieve sufficient mitigation of most long-term impacts that are not considered significant.

DPD anticipates these long-term impacts to be minor or negligible: geology, air quality, noise, water, hazardous materials, land use, light/glare/shadow, and public services and utilities. To substantiate this determination, DPD considers design-related mitigations identified in the Master Plan, existing regulations, and Children's ongoing programs (discussed in the mitigation measures sections of the Final EIS). No SEPA conditioning is warranted at this time for these elements of the environment.

Energy

This project contributes to overall load growth for the region, and could have impacts on the environment associated with new generation projects. The completed project would use the following estimated amounts of energy.

- The amount of natural gas needed for each build alternative would be approximately 4,452,000 therms per year, using current natural gas usage rates per square foot. This would be an increase of 2,914,524 therms per year.
- The amount of electricity needed for each build alternative would be approximately 69,576,000 kW hours per year, using current electrical usage rates per square foot. This estimate would be an increase of approximately 45,540,455 kW hours per year above current usage.
- Adherence to Seattle Energy Code minimum performance levels should help to reduce maximum energy consumption and effectively mitigate impacts energy resources.

DPD Recommendation

To minimize the increased use of energy, DPD recommends that Council condition its approval of the Final Master Plan as follows:

- The project proponent shall consult with Seattle City Light on measures available through the "Energy Smart Design" program to further reduce energy consumption by the development.

Housing

The FEIS discusses housing impacts in Section 3.8.2. The Laurelhurst neighborhood includes a mixture of single- and multi-family housing. The proposed Master Plan would displace 136 condominium units. The loss of housing is a significant adverse impact of the proposed Master Plan.

- By demolishing the Laurelon Terrace Condominiums, the proposed Master Plan would displace 136 multi-family units. The loss of housing is a significant adverse impact of the proposed Master Plan.
- SMC [25.05.675 I2c](#) states: *Compliance with legally valid City ordinance provisions relating to housing relocation, demolition and conversion shall constitute compliance with this housing policy.*

DPD Recommendation

Children's must meet all City ordinance provisions relating to housing demolition. Upon the adoption of a formal agreement to replace the demolished Laurelon Terrace condominiums with comparable housing, DPD would consider the Final Master Plan to be adequately mitigated in this regard. DPD's recommendation is further addressed in the analysis and conditions of the proposed MIO rezone, as outlined on page 52, and as conditioned in Section VII of this report.

Aesthetics (Height, Bulk and Scale)

The FEIS discusses aesthetics (height, bulk and scale) impacts in Section 3.9.2. Appendix C of the Final EIS includes photomontages from several viewpoints around the Children's campus. The height, bulk and scale of the Children's campus would increase, particularly on the east side of and adjacent to Sand Point Way NE.

DPD generally considers mitigation of bulk and scale impacts under SMC [25.05.675 G](#) when the proposed development is significantly larger than zoned heights in adjacent zones. This report also discusses height transitions in its discussion of the expanded MIO (page 35) and The 160' height proposed for Area A (Laurelon Terrace) is significantly higher than allowed heights in the adjacent zones to the west and south. Considering all proposed and site-related mitigation, DPD recommends further conditioning to improve the resulting height transition along the northern

two-thirds of the Laurelon Terrace site as it faces Sand Point Way. DPD recommends that Council decrease allowed heights to roughly 140' and increase upper level setbacks above 50' to roughly 40' deep in this area.

- No protected view corridors would be impacted.
- No land uses are proposed to change within the campus, as all uses are generally included in or directly associated with Children's and its mission.
- There would be an intensification of uses associated with this area due to the additional floor area that would be realized as a result of the expanded MIO boundary and the proposed MIO 160 height limit within the new MIO area. Outside the MIO, height limits of 30 feet are allowed.
- The 160-foot height proposed for Area A (Laurelon Terrace) is significantly higher than is achievable in the adjacent zones to the west and south. In both cases, the proposed MIO 160 district would be separated from the L3 and single family zones by the width of a public right-of-way and associated setbacks, approximately 80-90 feet. On the south, Children's proposes two lower MIO districts, and areas of MIO 50 and MIO 37 along NE 45th St. In addition, Children's proposes a landscaped buffer of 40 feet. The minimum of 100-foot width of the street and landscaped buffer, and the MIO 37 all serve to increase the distance from single family zoning located south of NE 45th St and provide for a transition in height.
- On the west property line, the elevations contained in Figure 39 of the Final Master Plan show the higher buildings located toward the east, away from the street edge, with buildings below MIO 50 at the western edge.
- The height limits for Area B (Hartmann) are greater than the limits for the adjacent residential Lowrise and NC zones. However, the NC2-40 property to the south is developed with a condominium approximately 100 feet in height. The proposed limit for Area B would provide a transition from this condominium property to the L3 zoning to the north. No condition is recommended for Area B.

DPD Recommendation

DPD considers proposed height transitions at the Hartmann site to be appropriate, and recommends no further conditioning for Area B.

DPD recommends conditions related to mitigation of height, bulk, and scale impacts. DPD's recommendation is further addressed in the analysis and conditions of the proposed MIO, as outlined on page 39, and in the analysis and conditions of the proposed rezone, as outlined on page 61. DPD recommends that Council condition its approval of the Final Master Plan, as outlined in Section VII below.

Transportation

The transportation analysis considered both current conditions and those anticipated in 2030, when Children's anticipates that it will have completed all Master Plan projects. The analysis assumed construction of certain fully-funded capital facilities, such as the University Link Light Rail extension. The study did not include capital facilities which were not fully funded at the time of this analysis, such as expansions or modifications to SR 520. The FEIS forecasts future traffic volumes for the 2030 horizon year using the Seattle Department of Transportation travel demand model, which reflects anticipated changes in residential and employment land uses and future transportation projects. In general, annual growth was approximately 0.5 to 1.0 percent from 2007 to 2030; overall projected increases in traffic volumes at study intersections ranged from about 10 to 13 percent at most locations.

For Alternative 1 (No Build), the FEIS assumed traffic generated by Children's to remain at existing levels. It estimated future unmitigated vehicle trips for Children's Preferred Alternative based on future person-trips by mode, as described in the Final EIS. The EIS's preferred alternative would degrade the Level of Service (LOS) at four intersections during the PM peak to LOS E or worse and increase the delay up to 54 seconds (at Five Corners). With implementation of an enhanced TMP, this delay would be up to 34 seconds (at Five Corners). The FEIS anticipates that implementation of an enhanced Transportation Management Program (TMP) would reduce the proportion of daytime employees that drive alone from the current 38% to 30%. Using this mode split, the FEIS achieves an estimate of future mitigated vehicle trips for the Preferred Alternative. The table below shows existing, unmitigated, and TMP-mitigated traffic volumes:

| | Existing | Unmitigated Addition | Unmitigated Total | Mitigated Addition | Mitigated Total |
|--------------|----------|----------------------|-------------------|--------------------|-----------------|
| Daily | 9,200 | 8,400 | 17,600 | 6,800 | 16,000 |
| AM Peak Hour | 800 | 850 | 1,650 | 540 | 1,340 |
| PM Peak Hour | 720 | 690 | 1,410 | 440 | 1,160 |

Operational impacts: An integral part of the evaluation of the environmental impacts of this project included an assessment of the Master Plan's traffic and transportation impacts. The alternatives analyzed in the Draft and Final EIS include an analysis of both AM and PM peak hour level of service at 35 intersections within the vicinity of the project. The study also developed PM peak hour travel time forecasts also for three key corridors accessing Children's Hospital: Montlake Boulevard and Sand Point Way NE between Roanoke Street and Children's, NE 45th Street and Sand Point Way NE between I-5 and Children's, and Sand Point Way NE between NE 70th Street and Children's.

As documented in the Final EIS, DPD expects four intersections to both operate poorly in 2030 and to be noticeably impacted by traffic from the Children's Hospital expansion: NE 45th Street/Union Bay Place NE (Five Corners), Montlake Boulevard NE/Eastbound SR 520 Ramp, 40th Avenue NE/NE 55th Street, and 40th Avenue NE/NE 65th Street. Of these intersections, the FEIS forecasts Five Corners to have the greatest PM peak hour delay both without and with the Children's expansion. Under the No-Build Alternative, Five Corners would have an average delay of 137 seconds during the PM peak hour. With the unmitigated Build Alternative, this delay would increase by 54 seconds to 191 seconds; with an enhanced TMP, the Build Alternative is expected to result in a 34-second increase in delay at Five Corners, for a total average delay of 171 seconds. All of these conditions represent level of service F. At the other three intersections, the total average delay added by the Children's expansion would range from 12 to 54 seconds for the unmitigated Build Alternative, and from 7 to 32 seconds for the Build Alternative with an enhanced TMP.

Travel times would increase and travel speeds would decrease along the travel corridors identified above in the PM peak hour. The smallest impact would be on Sand Point Way NE from Children's to NE 70th Street, which would experience only minor impacts from the Children's expansion. Assuming no mitigation, travel times in the NE 45th Street/Sand Point Way NE corridor between I-5 and Children's would increase from an average travel time of 10 minutes to 13 minutes in the westbound direction, and 12 minutes to 15 minutes in the eastbound direction. Travel times in the Montlake Boulevard/Sand Point Way NE corridor between Roanoke Street and Children's (unmitigated) would increase from 14 to 16 minutes northbound, and by less than a minute southbound. Implementation of an enhanced TMP would reduce but not eliminate these impacts.

Site access: With the Preferred Alternative, access to Children's would continue to be through Penny Drive. In addition, access would be provided from 40th Avenue NE. The FEIS anticipates these access points to be sufficient to accommodate access to and from the campus under Master Plan build-out conditions. The access points are forecast to operate at level of service C or better following build-out.

Parking: The Final Master Plan would provide 3,100 parking spaces on site and Children's would lease 500 spaces off site, as necessary to mitigate future transportation impacts. The result would be an increase in existing parking by 2,182 spaces. Table 3.10-9 in the Final EIS provides the number and location of these spaces. In addition, the Final EIS includes an analysis of minimum and maximum parking for the Master Plan, as required under SMC [23.69](#) and [23.54.016](#), Parking Requirements for Major Institutions.

Table 3.10.10 of the Final EIS identifies the future peak parking demand at Master Plan build-out as 3,470 vehicles under the current TMP program. This demand would utilize approximately 96% of the proposed supply. The excess parking allows for some reserve spaces to ensure that drivers circulating the parking area can find a space. With the enhanced TMP, DPD expects peak parking demand to be about 3,190 vehicles, or 87% of the proposed supply. As noted in the Final EIS, DPD anticipates that Children's would enhance parking demand management strategies as its overall parking demand increases. In addition, Children's would continue to

actively manage its hospital and off-site parking, as well as charge employees for parking and assign parking to encourage use of alternate modes.

Non-motorized travel: Currently, approximately five percent of Children's employees walk to work, while six percent bike to work. The percentages are likely to increase with the enhanced TMP, but, as the Final EIS notes, pedestrian and bicycle volumes near Children's likely will continue to be low to moderate. As part of its Master Plan build-out, Children's would construct new sidewalks along portions of Sand Point Way NE. New pedestrian and bicycle facilities also would be developed at the Hartmann site. Children's also intends to help fund improvements to local pedestrian and bicycle facilities, including projects in the City of Seattle Bicycle Master Plan, connections from Children's to the larger non-motorized network, and potentially bicycle boulevards.

Transit and shuttles: Approximately 10 percent of Children's employees commute via transit. Children's provides shuttle service between its campus and three off-site parking lots; about 12 percent of Children's employees commute via these shuttles. Under the Preferred Alternative, Children's would relocate these transit stops to Sand Point Way NE/40th Avenue NE. This relocation would provide transit riders with more direct access to Children's, and would allow transit to serve both the hospital and the Hartmann site at the same stop. Children's is exploring expansion of its shuttle service as part of its Master Plan mitigation program.

Mitigation: Increased intersection delays and travel times and decreased speeds in the vicinity of the project site provide a basis for the Determination of Significance for this project. To reduce the impacts associated with the increase in traffic, conditions are required to ensure that the impacts on the street system are adequately mitigated. This report discusses mitigation measures in Section 3.10.10.2 and Appendix D of the Final EIS, and outlined briefly below

Children's proposes traffic mitigation in four broad areas:

- (1) Children's design and facilities, including campus design, near-site improvements, and off-site parking. Campus improvements include development of a shuttle hub (perhaps combined with transit), additional bicycle parking and shower and locker facilities, a relocated "front door" for the hospital at 40th Ave NE, clear pedestrian flow paths from adjacent neighborhoods and through campus, and a redesign of Penny Drive to provide designed spaces for pedestrians and bicycles, as well as automobiles. Near-site improvements would consist of reconfiguring the Sand Point Way NE/40th Avenue NE intersection in conjunction with SDOT to enhance pedestrian crossings, modifying the Sand Point Way NE/Penny Drive intersection, and restriping NE 45th St to accommodate a left-turn lane for eastbound-to-northbound turns. Wayfinding and design of near-site pedestrian and bicycle facilities would be improved, and connectivity between the hospital and the Burke-Gilman Trail would be enhanced through improved wayfinding and intersection enhancements. Children's also will continue to pursue new off-site and out-of-area remote parking facilities, which Children's would connect to the hospital campus with shuttle service.

- (2) Children's Enhanced Transportation Management Program. To achieve a maximum 30% single-occupant vehicle goal, Children's would expand its existing transit shuttle program, to identify effective shuttle connections from downtown, the University District, and future light rail stations; add new trip reduction services and programs; and modify its parking management policies, including raising the cost of both on-campus single-occupant vehicle parking and commuter bonus awards.
- (3) Contributions to area transportation facilities. This encompasses three general strategies:
 - (a) a contribution of \$500,000 to construct Intelligent Transportation System improvements from Montlake Boulevard/NE 45th Street and Sand Point Way NE/NE 50th Street;
 - (b) a proportional share of Northeast Seattle transportation improvements identified in certain City documents (the University Area Transportation Action Strategy, the Sand Point Way Northeast Pedestrian Study, and the City of Seattle Bicycle Master Plan), amounting to approximately \$1,400,000;
 - (c) a \$2,000,000 contribution to cover unfunded pedestrian and bicycle improvements in Northeast Seattle, including priority projects from the Bicycle Master Plan, connections from Children's to the broader bicycle/pedestrian network, and possibly bicycle boulevards.
- (4) Proportional share of installation of traffic signals at 40th Avenue NE/NE 55th Street and 40th Avenue NE/NE 65th Street. These intersections will be monitored over the life of the Master Plan to determine the timing of the mitigation implementation.

DPD Recommendation

Traffic impacts would affect the neighborhood and local corridors. The extent and duration of the impacts may be substantial. DPD therefore recommends that Council condition its approval of the Final Master as follows:

The mitigation measures in Section 3.10.10.2 of the Final EIS shall apply and are reiterated in Section VII below.

RECOMMENDATIONS – SEPA

The Director recommends approval of the proposed Final Master Plan, subject to the conditions outlined in Section VII.

VII. SUMMARY AND RECOMMENDATIONS

The above report addresses criteria pursuant to Land Use Code Chapter [23.69](#) (Major Institution Overlay District), Chapter [23.34](#) (rezones), and Chapter [25.05](#) (SEPA). DPD recommends that conditional approval of the proposed Final Master Plan is warranted. This report identifies impact mitigations below.

DPD expects that planned projects will require additional SEPA reviews, when DPD may impose further conditioning. In short, development pursuant to the proposed Final Master Plan, as conditioned below, would be consistent with the framework policy of the City's Major Institutions Policies and represent a reasonable balance of the public benefits of development and change with the need to maintain livability and vitality of the adjacent neighborhoods.

RECOMMENDED CONDITIONS – MAJOR INSTITUTION MASTER PLAN

The Director recommends approval of the proposed Major Institution Master Plan, subject to the following conditions:

1. Children's shall create and maintain a Standing Advisory Committee to review and comment on all proposed and potential projects prior to submission of their respective Master Use Permit applications.
2. Children's shall limit total development on campus and the Hartmann site combined to a total no greater than 2.4 million square feet.
3. The Floor Area Ratio (FAR) for the total campus and the Hartmann site shall not exceed 1.9.
4. Children's shall amend Section IV.D.1 of the Master Plan to add upper level setbacks 40' deep, along the western edge of the expanded campus from Penny Drive south to NE 45th St, applied to portions of buildings higher than 50'.
5. In areas designated as MIO 160, the maximum height of proposed structures shall not exceed 140'.
6. Children's shall revise Master Plan Figure 50 *Proposed Master Plan Structure Setbacks* to change the notation of "buffer" to "setback" as shown in the figure key. The stated setback of 20' along 40th Ave NE and 10' along Sand Point Way NE between 40th Ave NE and Penny Dr shall be added to the figure.
7. Children's shall amend Section IV.C.1 of the Master Plan to expressly prohibit above-ground development within the setback areas, as shown on revised Figure 50, and except as otherwise allowed in the underlying zone.
8. Prior to the submittal of the first Master Use Permit application for Phase 1, Children's must draft a more comprehensive set of Design Guidelines for planned and potential structures, to be reviewed by the Seattle Design Commission and approved by DPD. The Design Guidelines shall be an appendix to the Master Plan and should address issues of architectural

concept, pedestrian scale, blank wall treatment, tower sculpting, and nighttime lighting, among others.

9. The Standing Advisory Committee (SAC) will use the Design Guidelines for evaluation of all planned and potential projects outlined in the Master Plan prior to the submission of the respective applications for Master Use Permit.
10. Any proposal for a structure more than 37' in height shall be subject to formal review and comment by the Standing Advisory Committee (SAC).
11. Prior to the issuance of any permit for the demolition of the Laurelon Terrace condominiums, Children's shall formalize an agreement with the City for replacement housing due to the demolition of the Laurelon Terrace residences. The agreement shall incorporate the following elements:
 - a. Children's shall pay \$5 million to the City of Seattle Office of Housing or to such other housing developers approved by the Office of Housing for these purposes;
 - b. The construction of 136 replacement housing units at Sand Point Magnuson Park and such other projects designated by the Office of Housing that are located in northeast Seattle;
 - c. Such replacement housing funds may not be used to rehabilitated existing housing;
 - d. The replacement housing shall remain affordable to households with incomes no higher than median income for a term of 50 years.
12. A minimum of 41% of the combined total area of the campus and the Hartmann site shall be maintained as open space. DPD recommends the following:
 - Open Space areas shall include existing and proposed ground level setback areas identified in the Master Plan, to the extent that they meet the criteria in the proposed Design Guidelines
 - Open Space should be provided in locations at ground level or, where feasible, in other spaces that are accessible to the general public
 - The location of open space, landscaping and screening as shown on Figure 42 of the Master Plan may be modified as long as the 41% figure is maintained
 - To ensure that the 41% open space standard is implemented with the Master Plan, each planned or potential project should identify an area that qualifies as Open Space as defined in this Master Plan
 - Open Space that is specifically designed for uses other than landscaped buffers or building setback areas, such as plazas, patios or other similar functions, should include improvements to ensure that the space contains Usable Open Space as defined under SMC [23.84A.028](#).
 - Open space shall be designed to be barrier-free to the fullest extent possible.
13. For the life of the Master Plan, Children's should maintain open space connections as shown on Figure 56 of the Final Master Plan, or similar connections constituting approximately the number and location of access points as shown in the Master Plan. During the review of all

future buildings, Children's should evaluate that building's effect upon maintaining these connections. If Children's proposes to change the open space connections from surrounding streets from that shown on Figure 56, it shall first provide notice to DPD and DON, and formally review the proposed changes with the SAC.

14. "Parking" on page 98 of the Final Master Plan shall be amended by adding the following at the end of that section: "As discussed in the TMP, the forecasted parking supply including the potential leasing of off-site spaces exceeds the maximum allowed under the Land Use Code. Therefore, if Children's continues to meet its Transportation Master Plan goals, the Master Plan authorizes parking in excess of the Code maximum to minimize adverse parking impacts in the adjacent neighborhood."
15. Children's shall create a Construction Management Plan for the review and input of the SAC prior to the approval of any planned or potential project discussed in the Master Plan. This Plan should be designed to mitigate impacts of all planned and potential projects, to include mitigating measures to address the following:
 - Construction impacts due to noise
 - Mitigation of traffic, transportation and parking impacts on arterial and surrounding neighborhoods
 - Mitigation of impacts on pedestrian network
 - Mitigation of impacts if more than one project outlined in Master Plan are under concurrent construction

RECOMMENDED CONDITION – REZONE

As part of the requested rezone, DPD recommends several mitigations for impacts related to institutional growth, zoning transitions, and demolition of housing. This report also addresses conditions related to the proposed rezones above (MIMP conditions) and below (SEPA conditions)

16. As outlined on page 52 Children's shall guarantee the replacement of comparable housing units lost under the Master Plan, with a commitment to replacement housing in northeast Seattle, either through contributions to existing programs or through participation in new partnerships for housing development.

RECOMMENDED CONDITIONS – SEPA

The following conditions are recommended as part of the requested rezone:

Geology

17. To minimize the possibility of tracking soil from the site, Children's shall ensure that its contractors wash the wheels and undercarriage of trucks and other vehicles leaving the site and control the sediment-laden wash water using erosion control methods prescribed as City

of Seattle and King County best management practices for construction projects. Such practices include the use of sediment traps, check dams, stabilized entrances to the construction site, erosion control fabric fences and barriers, and other strategies to control and contain sediment.

18. Children's shall ensure that its contractors cover the soils loaded into the trucks with tarps or other materials to prevent spillage onto the streets and transport by wind.
19. Children's shall ensure that its contractors use tarps to cover temporary on-site storage piles.

Air Quality

20. Prior to demolition of the existing housing units at Laurel Terrace, Children's shall perform an asbestos and lead survey and develop an abatement plan to prevent the releases into the atmosphere and to protect worker safety.
21. During construction, Children's shall ensure that its contractors spray exposed soils and debris with water or other dust suppressants to reduce dust. Children's shall monitor truck loads and routes to minimize impacts.
22. Children's shall stabilize all off-road traffic, parking areas, and haul routes, and it shall direct construction traffic over established haul routes.
23. Children's shall schedule delivery of materials transported by truck to and from the project area to minimize congestion during peak travel times on adjacent City streets. This will minimize secondary air quality impacts otherwise caused by traffic having to travel at reduced speeds.
24. Children's shall ensure that its contractors cover any exposed slopes/dirt with sheets of plastic.
25. Around relevant construction areas, Children's shall install perimeter railings with mesh partitioning to prevent movement of debris during helicopter landings.

Noise

26. Construction will occur primarily during non-holiday weekdays between 7:00 am and 6:00 pm, or as modified by a Construction Noise Management Plan, approved by DPD as part of a project-specific environmental review.
27. Children's will inform nearby residents of upcoming construction activities that could be potentially loud. Children's shall schedule particularly noisy construction activities to avoid neighborhood conflicts whenever possible.
28. Impact pile driving will be avoided. Drilled piles or the use of a sonic vibratory pile driver are quieter alternatives.

Transportation

29. Onsite improvements will include: shuttle hub; an enhanced campus pathway to connect to transit along Sand Point Way NE and/or 40th Ave NE; and bicycle parking.
30. Near-site improvements will include: working with SDOT and WSDOT to improve intersections such as Penny Drive/Sand Point Way NE and 40th Ave NE/Sand Point Way NE; improve connectivity between the Burke-Gilman Trail and Children's; enhance the Sand Point Way NE street frontage.
31. As necessary to reduce future transportation impacts, Children's will provide off-site parking that reduces the level of required parking on site and reduces traffic on NE 45th St, Sand Point Way NE and Montlake Blvd/SR 520 interchange area.
32. Children's shall enhance its TMP to achieve a 30% single occupancy vehicle (SOV) mode split goal or lower.
33. Children's will contribute its fair share to the future installation of traffic signals at 40th Ave NE/NE 55th St and 40th Ave NE/NE 65th St.
34. Children's will contribute \$500,000 to build Intelligent Transportation System improvements through the corridor from Montlake Blvd/NE 45th St to Sand Point Way NE/NE 50th St.
35. Children's will contribute a pro rata share of the Northeast Seattle Transportation improvement projects identified from the University Area Transportation Action Strategy, the Sand Point Way NE Pedestrian Study, and the City of Seattle Bicycle Master Plan. This amount is estimated at approximately \$1,400,000 or approximately \$3,955 per bed. (adjusted for inflation as beds come online).
36. In coordination with SDOT, Children's will contribute \$2,000,000 for pedestrian and bicycle improvements in Northeast Seattle over the timeframe of the Master Plan development.

Signature: (signature on file at DPD)
Scott Ringgold, Land Use Planner
Department of Planning and Development

Date: January 20, 2009