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BEFORE THE GROWTH MANAGEMENT HEARINGS BOARD CENTRAL REGION STATE OF WASHINGTON

PORT OF SEATTLE.

Petitioner,

٧.

Case No. 25-3-0009

FINAL DECISION AND ORDER

CITY OF SEATTLE,

Respondent,

and

BNSF RAILWAY COMPANY,

Intervenor.

I. INTRODUCTION

The Port of Seattle (Port) and BNSF Railway Company (BNSF) challenged the City of Seattle's (City) adoption of Ordinance 127191 which amended the City's code to permit new residential development within the City's Stadium Transition Area Overlay District (STAOD)¹ in an area zoned Urban Industrial (UI).² Previously within the STAOD the City had permitted housing for caretakers and artist studios, but excluded other residential development, and with this amendment now authorizes residential development at a density of fifty-dwelling units per acer.

The STAOD has existed as an overlay district since 2000 and includes approximately 93 acres of land in the South of Downtown (SODO) neighborhood of Seattle, 40 acres of which includes Lumen Field and T-Mobile Park.³ Between 2019 and 2021, the City undertook review of its Industrial and Maritime Lands resulting in the adoption of the City's Industrial

¹ The Parties refer to this as both the Stadium Transition Area Overlay District ("STAOD") and the Stadium District. For brevity and clarity this Board refers to this as the STAOD.

² Amending Chapter 23.74 SMC.

³ See Ex. 128 at 10 (providing a visual representation).

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and Maritime Strategy. In order to adopt this legislation, the City necessarily undertook environmental review which included the adoption of a Final Environmental Impact Statement (FEIS) on September 29, 2022, which studied, among other things, the inclusion of up to 990 industry-supportive housing units in the STAOD.⁴ The City adopted legislation creating the new UI zone throughout the City which permitted residential uses as a conditional use subject to several restrictions, including setbacks from the City's Major Truck Streets,⁵ however, residential uses remained prohibited in the STAOD with the exception of artist studios and caretaker's quarters.6

In January 2025, the City initiated consideration of CB 120933⁷ (the initial draft of the Ordinance at issue) and began its public review process which included a public hearing at the Committee level on February 24, 2025, and final adoption by the full City Council on March 18, 2025.

The Port claims the Ordinance was adopted without adequate public notice and participation, without consideration of the City's obligations under the State Environmental Policy Act (SEPA), in contradiction to the City's Comprehensive Plan, policies, and code, and was contrary to the goals established in the Growth Management Act (GMA).8

BNSF also asserted the City failed to conduct adequate SEPA review.

The City countered that it followed its public participation process, any amendments to the initially proposed Ordinance where within the scope of the originally noticed Ordinance such that the City was not obligated to conduct further public hearings, and that the City acted to comply with the notice requirements to the Washington State Department of Commerce (Commerce) and is therefore compliant with procedural requirements. Further,

⁴ City's Br. at 6, citing RIN 6 (Agenda February 24, 2025, Public Hearing, draft Ordinance, Seattle Industrial & Maritime Strategy Final Environmental Impact Statement).

⁵ A "Major Truck Street" is a City designation for streets that carry more than 1,500 trucks a day and are significant for freight movement.

⁶ Port's Br. at 4-5, referring Ex 42, City staff report on Industrial/Maritime Legislation.

⁷ The Ordinance was initially proposed as CB 120933. The City refers to the initial Ordinance as a Bill and once passed as an Ordinance. The Board does as well.

⁸ Port's Br. at 10.

⁹ City's Br. at 13, 16, 19.

that its Ordinance was not a project action and authorized no site-specific development and was, therefore, categorically exempt from SEPA, but even if it was not exempt from SEPA review, that any environmental impacts were adequately studied and harmonized with the City's Comprehensive Plan and GMA planning goals or was harmless error. ¹⁰ Also that, any SEPA challenge was precluded by recent legislation which prohibited a SEPA challenge where a local jurisdiction acts to increase housing. ¹¹

The Board concluded the City failed to follow its established public participation program, failed to provide 60 days' notice to Commerce, and failed to conduct SEPA review. The Board also found several inconsistencies with the City's Comprehensive Plan. Accordingly, the Board determined the Ordinance was noncompliant with the City's code and the GMA and remanded the matter to the City for resolution of the deficiencies. Further, because the City did not conduct SEPA review, and because the Ordinance substantially interfered with the GMA's goals, the Board invalidated the Ordinance.

Procedural matters not otherwise addressed by an earlier Order are detailed in Appendix A.

II. BOARD STATUTORY AUTHORITY

The Board finds the Petition for Review was timely filed.¹² The Board finds the Petitioner has standing to appear before the Board.¹³ The Board also finds it has statutory authority over the subject matter of the Petition.¹⁴

III. STANDARD OF REVIEW

Comprehensive plans and development regulations, and amendments to them, are presumed valid upon adoption.¹⁵ This presumption creates a high threshold for challengers as the burden is on the Petitioner to demonstrate that any action taken by the local jurisdiction

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¹⁰ City's Br. at 1-2.

¹¹ Id. at 19.

¹² RCW 36.70A.290 (2).

¹³ RCW 36.70A.280(2)(b).

¹⁴ RCW 36.70A.280(1).

¹⁵ RCW 36.70A.320(1).

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was not in compliance with the Growth Management Act (GMA).¹⁶ The Board is charged with adjudicating GMA compliance and, when necessary, invalidating noncompliant plans and development regulations.¹⁷

The scope of the Board's review is limited to determining whether a local jurisdiction has achieved compliance with the GMA only with respect to those issues presented in a timely Petition for Review. ¹⁸ The Board is directed to find compliance unless it determines that the challenged action is clearly erroneous in view of the entire record before the Board and in light of the goals and requirements of the GMA. ¹⁹ In order to find the City's action was clearly erroneous, the Board must be "left with the firm and definite conviction that a mistake has been committed." ²⁰

IV. ANALYSIS AND DISCUSSION

The Port combines issues 3, 4, and 5.

Issue No. 3. Did the City violate the GMA's requirements at RCW 36.70A.020(11) and 140 by failing to provide for early and continuous public participation and reconciliation of conflicts during the Council's consideration and adoption of the Ordinance?

Issue No. 4. Did the City violate the GMA's requirement at RCW 36.70A.035 by failing to provide adequate notice and an opportunity for public review and comment regarding the final terms of the Ordinance?

Issue No. 5. Did the City violate the GMA's requirement at RCW 36.70A.106 by failing to provide adequate notice to the State Department of Commerce regarding its intent to adopt the Ordinance?

Local jurisdictions must encourage the involvement of citizens in the planning process.²¹ The public participation requirement includes the requirement that notice of governmental action must be reasonably calculated to provide notice to, *inter alia*, property

¹⁶ RCW 36.70A.320(2).

¹⁷ RCW 36.70A.280, RCW 36.70A.302.

¹⁸ RCW 36.70A.290(1).

¹⁹ RCW 36.70A.320(3).

²⁰ Dep't of Ecology v. PUD 1, 121 Wn.2d 179, 201, 849 P.2d 646 (1993).

²¹ RCW 36.70A.020(11) (Citizen Participation and coordination).

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owners and other affected and interested individuals, government agencies, and businesses.²² Local jurisdictions must also establish and broadly disseminate to the public a public participation program identifying procedures that provide for early and continuous public participation and provide the opportunity for written comments, public meetings after effective notice, provisions for open discussion, communication programs, information services, and consideration of and response to public comments.²³ Errors in exact compliance with the established program and procedures shall not render the action invalid if the spirit of the program and procedures are observed.²⁴

The Port claims the City adopted its Ordinance without adequate public notice and participation in violation of both the GMA and the City's code. Specifically, the Port indicates the City was obligated to provide a report for this type of decisions, and that it "ordinarily require a report on the proposed legislation and thirty days' notice prior to hearing."25 The Port indicates there was no report prepared, nor did the City provide written notice to the Commerce as required.²⁶

The City responds that it "... complied with the GMA's notice and public participation requirements when, after a thorough environmental review and lengthy public legislative process, it adopted the Ordinance," and suggest the evidence in support of this can be found in the "thousands of pages of written comment both for and against the Bill...."27

Fax: 360-586-2253

²² RCW 36.70A.035.

²³ RCW 36.70A.140. The City adopted Resolution 32096 which provides: Amendments to Bills and Resolutions shall not be presented at a City Council meeting unless previously reviewed by the Law Department and circulated via email to all CMs, the Central Staff Director, and the City Clerk at least two hours before the meeting. In cases, including but not limited to, amendments to development regulations subject to the Growth Management Act, a statute may require additional public notice and opportunity for public comment before an amended Bill may be passed (See

https://seattle.legistar.com/View.ashx?M=F&ID=12205123&GUID=80438E23-6CC9-48CA-AC5B-B1397CD3580A).

²⁴ RCW 36.70A.140.

²⁵ Port's Br. at 10, citing SMC 23.72.062(C)-(D). It appears the correct citation is SMC 23.76.062(C)-(D). 23.76.006.C.2.c, d, f, and g and SEPA decisions integrated with such Type II decisions as set forth in Section 23.76.006.C.2. I.

²⁶ Port's Br. at 10, citing RCW 36.70A.106; .020(11); .140.

²⁷ City's Br. at 13-14.

The City divides its land use decisions into five categories. Relevant here, Type V decisions are legislative decisions made by the Council in its capacity to establish policy and manage public lands.²⁸ The Council is required to conduct a public hearing for each Type V Council land use decision...."²⁹ To conduct a public hearing, the City was obligated to provide notice of the hearing "at least 30 days prior to the hearing" by inclusion in the Land Use Information Bulletin and Publication in the City's official newspaper.³⁰

The Board finds that on January 23, 2025, notice of a public hearing was issued which indicated the City would "hold a public hearing on February 24, 2025, at 9:30 AM on Council Bill 120933, which would allow residential uses as a conditional use in the Stadium Transition Area Overlay District (STAOD)."31 The Board also finds that notice was published in the newspaper of record and noticed on the Land Use Information Bulletin. 32 The notice informed the public that the proposal would "allow residential uses in the Urban Industrial (UI) zones within the STAOD as a conditional use pursuant to criteria that apply to UI zones in the rest of the City."33 This included removing the prohibition that housing not be located within 200 feet of a Major Truck Street, and specifically remove the requirement that housing not be located within the STAOD. 34 Lastly, the notice indicated that the proposed environmental impacts were "considered under the Seattle Industrial & Maritime Strategy Final Environmental Impact Statement from September 2022."35 Accordingly, the Board finds the Ordinance was properly noticed.

The Council is required to "consider the oral and written testimony presented at the public hearing, as well as any required report of the Director." "The Director shall prepare

²⁸ SMC 23.76.004.C.

²⁹ SMC 23.76.062.B.

³⁰ SMC 23.76.062.C.1.

³¹ RIN 6 at 944.

³² RIN 59; RIN 60.

³³ RIN 6 at 944.

³⁴ *Id*.

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³⁶ SMC 23.76.062 D.

a written report" which "shall be submitted to the Council and shall be made available to the public at least 15 days before the Council hearing." ³⁷

The City indicates "the Director's Report included a detailed discussion of housing in the STAOD concluding that '(S)ome limited amount of housing would be compatible with the surrounding use pattern and would not cause additional adverse impacts on nearby industrial activities outside of the [STAOD] if carefully implemented."³⁸ The link was displayed in the slideshow as follows:³⁹

- OPCD <u>Director's Report (pgs. 43 45)</u>:
 - "A district with a variety of small businesses and makers combined with businesses supporting events at the stadiums and entertainment venues would be supported by the UI zone."
 - "(S)ome limited amount of housing would be compatible with the surrounding use pattern and would not cause additional adverse impacts on nearby industrial activities outside of the [Stadium District] if carefully implemented."

The City contends this incorporated the Director's Report into the public process.⁴⁰ However, the imbedded link is to the Director's Report from 2023 for the Seattle Industrial & Maritime Strategy,⁴¹ and not a Director's Report related to the Ordinance adopted two years later.

The Director's Report is to include a written recommendation or comments of any affected City departments and other governmental agencies having an interest in the application or request; response to written comments from the public; an evaluation based on applicable City standards and policies; all environmental documentation; and a recommendation to approve, approve with conditions, or deny a specific proposal.⁴² No report was produced or considered in this matter beyond the 2023 Industrial & Maritime Director's Report.

Accordingly, as to **Issue No. 3**, the Board is left with the firm and definite conviction that the City's failure to produce and consider the required Director's Report before adopting

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³⁷ SMC 23.76.050 A, and F.

³⁸ City's Br. at 15, citing *RIN* 12 p.3.

³⁹ RIN 12 at 3.

⁴⁰ City's Br. at 15.

⁴¹ RIN 42, Seattle Industrial & Maritime Strategy Director's Report and Recommendation.

⁴² SMC 23.76.050.B.1 through 5.

 this Ordinance was clearly erroneous and therefore concludes that the City did not comply with its code and, as a result, the GMA's public participation requirements.⁴³

The Port also contends that the City, after holding a hearing, offered amendments which were so substantially different as to render any notice under that version of insufficient.⁴⁴ That the amendment failed to provide a renewed comment period as required, and, the Port asserts, members of the Council were not aware of the proposed amendments until the night before the final vote and they were not published on the City's website until the day of the final vote.⁴⁵

The City indicated "the Bill was introduced to the public on January 13, 2025, upon publication of the agenda packet for the January 14 Council meeting that included the Introduction and Referral Calendar ("IRC")," wherein the Ordinance at issue was referred to a City Council Committee. ⁴⁶ The City indicates the Bill was first considered on January 24, 2025, and that the Office of Planning and Community Development (OPCD) Director "presented to the Committee on the Industrial Strategy adoption process, the FEIS process, answered questions related to the Bill, and discussed the ongoing stakeholder consultation on planning issues in the STAOD and SODO area. ⁴⁷

On February 24, 2025, the Governance, Accountability & Economic Development Committee held a public meeting to consider the Ordinance.⁴⁸ The Council President presented a slideshow which discussed allowing housing in the district as "the preferred

⁴³ See SMC 23.76.062 D; SMC 23.76.050 A, and F; RCW 36.70A.020(11); RCW 36.70A.140.

⁴⁴ Port's Br. at 10-11 (referencing Ex. 26 (RIN 26)); (citing Master Builders Ass'n of Pierce County. v. Pierce County. CPGMHB Case No. 02-3-0010 (Final Decision and Order, February 4, 2002) at 9). ⁴⁵ Id., citing RCW 36.70A.035(1)(a)-(b).

⁴⁶ City's Br. at 14, referencing *RIN* 2, p. 1 of Introduction and Referral Calendar. CB 120933: AN ORDINANCE relating to land use and zoning; amending Sections 23.74.002 and 23.74.008 of the Seattle Municipal Code to allow residential uses in the Stadium Transition Area Overlay District.

⁴⁷ City's Br. at 15, citing *RIN* 6 (which is the February 24, 2025, Governance, Accountability & Economic Development Committee Agenda). *RIN* 7, however, indicates the City discussed (though it is unclear what may have been discussed) the Bill at the January 24, 2025, Governance, Accountability & Economic Development Committee meeting.

⁴⁸ City's Br. at 15, referencing *RIN* 6, the Agenda for a Special Public Meeting of the City's Governance, Accountability, and Economic Development Committee for Monday, February 24, 2025.

alternative already studied in the FEIS..."⁴⁹ The Committee received testimony in support and opposition and voted 3-2 to recommend the Bill be passed by the City Council.⁵⁰

On March 18, 2025, the Port submitted additional written comments on the proposed Ordinance. Also on March 18, 2025, the City's webpage was apparently updated to include nine, what the City describes as, "technical" amendments to the Ordinance which were publicly discussed at that day's City Council meeting.⁵¹ Proposed amendments included, among others, a 990 residential unit cap for the STAOD, addressed below, as well as notification to future owners of the liquification dangers, and noise abatement requirements.⁵²

Because the 990 residential unit figure is discussed at several places in the Port's brief, the Board takes this opportunity to address it. The Board takes issue with the Port's claim that the effect of the Ordinance will result in 990 residential units. The Board finds it more likely that the number of new residential units will actually be 375 and arrives at this finding by considering the City's housing projections in RIN 125.

RIN 125 consists of housing projections that the City calculated as part of the 2022 FEIS. The housing projections *per se* did not appear in the 2022 FEIS but were part of the City's data underlying the analysis in the 2022 FEIS. Because the 2022 FEIS did not analyze the Ordinance, the projections in RIN 125 are not perfectly calibrated to show the housing effects of the Ordinance. The housing effects of the Ordinance can be calculated by considering subareas B through E of the first box in RIN 125. Summing the acreage of subareas B through E yields a total of 7.5 developable acres. Assuming full buildout at 50

⁴⁹ City's Br. at 15, referencing *RIN* 12 (the slideshow) which indicates for the 2 blocks immediately South of T-Mobile Park, on 1st Ave S and Occidental S., up to 990 housing units, half affordable (60-90%AMI- Area Median Income) and FEIS shows freight travel times remain the same.

⁵⁰ City's Br. at 16.

⁵¹ City's Br. at 16 referencing *RIN* 28- transcript from the March 18, 2025, City Council meeting; Port's Br. at 6, referencing Amendments to CB 120933, Ex. 26, at 975-989. The Council approved 8 of the proposed amendments. *See also RIN* 26- Agenda for March 18, 2025, City Council Meeting.

⁵² Port's Br. at 6. The Port also discussed emails exchanges (PCB00318, PCB000327, PCB00223).

dwelling units per acre, 375 dwelling units could be built as a result of the Ordinance.⁵³ Accordingly, from the Board's perspective, the record supports the addition of 375 residential units "for the 2 blocks immediately South of T-Mobile Park, on 1st Ave S. and Occidental S.."⁵⁴ It is worth noting that under the Maritime and Marine Strategy FEIS, the City evaluated the impact of up to 646 residential units (subareas A through E) across the STAOD. Again, the discrepancy in unit count comes about because the FEIS was looking at a different proposal than the Ordinance. The 990-unit figure was for all developable lands with UI zoning, not just those in the STAOD, and not just those likely to be generated by the Ordinance.⁵⁵ Exhibit 128 (below) depicts the land covered by the Ordinance and is included for a visual of the impacted area (purple lines denote Major Truck Streets, the blue shading is zoned UI, the red outlined is the STAOD, and the yellow hashed area is the area impacted by the challenged Ordinance).



⁵³ The City's brief correctly sums the acreage of subareas B through E to find 7.5 developable acres, but the City's brief then erroneously calculates that 350 units can be built on those 7.5 acres at a density of 50 units per acre. By the Board's calculations, however, 7.5 acres times 50 units per acre is 375 units, not 350 units. ⁵⁴ *RIN* 12 p. 4.

⁵⁵ City's Br. at 26.

The Port further contends that the City cut off public comments at the March 18, 2025, full Council meeting and that the Council failed to discuss any of the comments it received (abruptly closing comments and initiating a vote).⁵⁶ Not surprisingly, the Port and BNSF feel the City failed to meaningful engage with the concerns raised when the Council moved from accepting comments and began to vote without any discussion over the written or public comments the City just received.

If a local jurisdiction chooses to consider a change to an amendment to a comprehensive plan or development regulation, and the change is proposed after the opportunity for review and comment has passed, an opportunity for review and comment on the proposed change shall be provided before the local legislative body votes on the proposed change unless an environmental impact statement has been prepared for the pending ordinance and the proposed change is within the range of alternatives considered in the environmental impact statement, which is not the case here, or, relevant here, the proposed change is within the scope of the alternatives available for public comment.⁵⁷ The City imposes its own restrictions as well:

Amendments to Bills and Resolutions shall not be presented at a City Council meeting unless previously reviewed by the Law Department and circulated via email to all CMs, the Central Staff Director, and the City Clerk at least two hours before the meeting. In cases, including but not limited to, amendments to development regulations subject to the Growth Management Act, a statute may require additional public notice and opportunity for public comment before an amended Bill may be passed.⁵⁸

The City believes "the opportunity for public comment of the proposed amendments at the March 18 meeting was adequate because the proposed revisions were straightforward and minor in scope and were within the scope of the initial proposal." Posting the amendments

⁵⁶ Port's Reply at 3, citing *RIN* 28 at 66:20-24 and 97:16-18 (CM Nelson closing comments and initiating discussion and votes).

^{|| &}lt;sup>57</sup> RCW 36.70A.035(2)(a); (b)(i)-(ii).

⁵⁸ Resolution 32096.

⁵⁹ City's Br. at 18, citing *Jack and Pamela Revocable Living Tr. v. City of Covington*, CPSGMHB No. 02-03-0005 (Final Decision and Order, September 27, 2002) at 12.

on the City's webpage on the day of the vote for a 2:00 PM City Council Meeting, the City argues, "met the spirit of the GMA's public participation requirements throughout the adoption process of the Ordinance." ⁶⁰

The Board finds the initial notice in this matter informed the public that the proposal would allow residential uses in the UI zones within the STAOD as a conditional use pursuant to criteria that apply to UI zones in the rest of the City, that it was contemplating removing the restriction that housing not be located within 200 feet of a major truck street, and that it was specifically contemplating removing the requirement that housing not be located within the STAOD. The nine "technical" amendments offered were, in the Board's view, within scope of the original notice such that the City was not required by the GMA to conduct a new hearing. The Board does not believe the City offended its own Resolution either, as the City merely requires two-hours' notice. The Board finds the amendments reduced the scope and impact of what was initially publicly noticed. Accordingly, the Board is not convinced it was clearly erroneous to act on any of the nine amendments with or without accepting public comments on the March 18, 2025, Council meeting. That is because the notice in this matter was sufficient, and because the amendments were within the scope of what was noticed. Thus, **Issue No. 4 is dismissed**.

The Port also asserts the County failed to timely notify Commerce of the proposed amendments prior to adoption. ⁶³

Amendments for permanent changes to a local jurisdictions comprehensive plan or development regulations "shall be" submitted to Commerce at least sixty days prior to final

⁶⁰ City's Br. at 18.

⁶¹ RCW 36.70A.035(2)(b)(ii).

⁶² See City of Shoreline, Town of Woodway, et al, v. Snohomish County, Nos. CPSGMHB No. 09-3-0013c and 10-3-0011c (Order on Dispositive Motions, January 18, 2011) at 16-19 (The Board's decisions recognize that a proposal may be modified during the course of public debate without necessarily requiring publication of a new notice), citing Halmo v. Pierce County, CPSGMHB No. 07-3-0004c (Final Decision and Order, September 28, 2007) at 14-15; Cave/Cowan v. City of Renton, CPSGMHB No. 07-3-0012(Final Decision and Order, July 30, 2007) at 12-13; NENA v. City of Everett, CPSGMHB No. 08-3-0005 (Final Decision and Order, April 28, 2009) at 16-17.

⁶³ Port's Br. at 10, citing RCW 36.70A.106.

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The City indicates that it "timely complied" with these requirements while simultaneously acknowledging it did not provide 60 days' notice to Commerce prior to adopting its Ordinance on March 18, 2025, when it indicates the City sent "the required notice to Commerce, albeit retroactive, and asked for expedited review." The City transmitted its amended and adopted Ordinance to Commerce on April 7, 2025, which is a separate requirement to send adopted amendments within 10 days to Commerce. This appears, in the Board's view, to be what the City did after discovering it failed to send the initial Ordinance for Commerce's review.

Local jurisdictions may request expedited review for any amendments for permanent changes to development regulations, and Commerce:

may grant expedited review if the department determines that expedited review does not compromise the state's ability to provide timely comments related to compliance with the goals and requirements of this chapter or on other matters of state interest. Cities and counties may adopt amendments for permanent changes to a development regulation immediately following the granting of the request for expedited review by the department.⁶⁷

In a June 3, 2025, email from Commerce granting expedited review, Commerce states: "... you have met the Growth Management notice to state agency requirements in RCW 36.70A.106 for this submittal." Citing Joshua Corning and Building North Central Washington v. Douglas County, the City contends that because it has taken action to comply, which has been acknowledged by Commerce, Issue 5 must be dismissed. The City

⁶⁴ RCW 36.70A.106.

⁶⁵ City's Br. at 19.

⁶⁶ City's Br. at 19, referencing *RIN* 33 (Affidavit of Publication- April 7, 2025), 34 (Notice of Final Adoption-April 7, 2024), and 35 (Notice of Submittal to Commerce- April 7, 2025). RCW 36.70A.106(2) requires local jurisdictions to transmit a complete and accurate copy of its comprehensive plan or development regulations to the department *within ten days after final adoption*. (emphasis added). See RCW 36.70A.106(2).

⁶⁷ RCW 36.70A.106(3)(b)

⁶⁸ RIN 39, page 1.

⁶⁹ Joshua Corning and Building North Central Washington v. Douglas County, GMHB No. 13-1-0001 (Final Decision and Order, August 26, 2013) at 7.

⁷⁰ City's Br. at 19.

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is incorrect. In Joshua Corning and Building North Central Washington, the County adopted a new Ordinance to settle a previous Eastern Washington Growth Management Hearings Board Case and believed its adoption of the new Ordinance was part of an ongoing process of amending the County's development regulations for the previous code changes which were in dispute, and, largely, what the appropriate remedy for such a violation should be: non-compliance or invalidity. In that matter the Board reasoned that while the initial notice was not made, the County's subsequent actions taken by properly filing the 60-day notice, receiving and considering comments from two state agencies, and considering the comments in its final decision was sufficient, and that requiring more would be "a duplicative and futile act to remand this case to Douglas County so that the County could notify Commerce yet again."⁷¹ However, this Board has repeatedly ruled the requirement that local jurisdictions submit their proposed amendments to Commerce is "an unambiguous requirement of the statute."72 That, "even if there is no other violation to be corrected, noncompliance with Section 106 requires a remand to the City or County."73 That is because the statute is clear, "immediately following the granting of the request for expedited review by the department," a local jurisdiction may adopt amendments for permanent changes to a development regulation. Commerce is without authority to waive the requirements of the statute and may only permit expedited review and only then may a local jurisdiction adopt or amend its comprehensive plan or development regulations. That is because Commerce's authority to act, like this Board's, is strictly statutorily limited. Commerce may only act on the authority granted to it by the Legislature.

The Board finds the City failed to submit Ordinance 127191 to Commerce 60 days

⁷¹ Joshua Corning and Building North Central Washington v. Douglas County, EWGMHB No. 13-1-0001 (Final Decision and Order, August 26, 2013) at 9.

⁷² Your Snoqualmie Valley, et al.,v. City of Snoqualmie, CPSGMHB No. 11-3-0012 (Final Decision and Order, May 8, 2012) at 11-12 (citing *McNaughton v Snohomish County*, CPSGMHB No. 06-3-0027 (Final Decision and Order January 29, 2007) at 25).

⁷³ Your Snoqualmie Valley, GMHB No. 11-3-0012 at 11 (citing Cameron Woodard Homeowners Ass'n v Island County, WWGMHB No. 02-2-0004 (Order on Dispositive Motion, June 10, 2002) at 2; Bauder v City of Richland, EWGMHB No. 01-1-0005 (Final Decision and Order August 16, 2002) at 6).

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prior to the adoption of the challenged Ordinance. Commerce's statement that it granted expedited review merely permitted the City to then move forward and adopt an Ordinance, but that did not cure the defect with the Ordinance the City authorized. Accordingly, as to **Issue No. 5**, the Board is left with a firm and definite conviction that the City's failure to submit its proposed amendment to Commerce prior to adopting the Ordinance was clearly erroneous and concludes that the City's adoption of the challenged Ordinance did not comply with the requirements of the GMA.⁷⁴

The Port and BNSF combine issues 11, 12, 13, 14, 15, and 16.

Issue No. 11. Did the City violate the requirements of Chapter 43.21C RCW (SEPA) by failing to disclose or analyze the probable adverse environmental impacts of the Ordinance in a detailed Environmental Impact Statement (EIS) pursuant to RCW 43.21C.030(2)(c)(i) before formally adopting it into law?

Issue No. 12. Did the City violate the requirements of SEPA by adopting the Ordinance without issuing a threshold determination for the proposal pursuant to RCW 43.21C.033 and SMC 25.05.310?

Issue No. 13. Did the City violate the requirements of SEPA by adopting the Ordinance without first issuing a supplement or addendum to the FEIS, pursuant to RCW 43.2C.034 and SMC 25.05.620 or .625?

Issue No. 14. Did the City violate SEPA's requirements at RCW 43.21C.034 by relying on the FEIS when considering the environmental impacts of the Ordinance and possible mitigation measures to address said environmental impacts?

Issue No. 15. Did the City violate SEPA's requirements at RCW 43.21C.060 by unlawfully exercising its substantive SEPA authority by including mitigation measures in the Ordinance that were not based on formally adopted SEPA documents or policies?

Issue No. 16. Did the City violate SEPA's requirements at RCW 43.21C.060 by failing to exercise its substantive SEPA authority to mitigate the known probable adverse environmental impacts of the Ordinance?

⁷⁴ RCW 36.70A.106.

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Citing legislative changes in 2022 to address the State's housing crisis, the City contends there is a "broad prohibition on administrative and judicial SEPA appeals in RCW 36.70A.070(2) and RCW 43.21C.495—which were adopted together—[and was] expressly intended to "promot[e] housing construction in cities by limiting appeal opportunities for both residential and mixed-use projects as well as legislative actions that further housing-related goals." The City claims this Ordinance is not subject to a SEPA appeal because it increased housing capacity, increased housing affordability, and mitigated displacement. Though, the City asserts, incorrectly, that the Ordinance does not have to satisfy each, that is it sufficient to satisfy any one, as the "and" within this statute is read in the disjunctive (i.e., "or"). 77 Lastly, that this area is "outside of a critical areas," and that "there is no evidence that the legislation would allow development in critical areas,"78 thus ensuring it is exempt from SEPA appeal.⁷⁹

The Port counters that this area is within "a City-designated liquefaction-prone critical area"80 and proposed amendments to the Ordinance support the conclusion that the area contains liquefaction zones.81 The City, while acknowledging that "some maps indicate portions of the STAOD may contain liquefaction areas, which could be a type of Environmentally Critical Area." explains that it enacted a Director's Rule which provides "the liquefaction potential of mapped liquefaction hazard areas would be confirmed during the design stage of proposed development."82 However, according to the FEIS prepared for the

⁷⁵ City's Br. at 20. RCW 36.70A.070(2)(h) and citing City of Olympia v. W. Washington Growth Mgmt. Hearings Bd., 27 Wn. App. 2d 77, 78, 531 P.3d 816, 821 (2023). (Quotations in the original). ⁷⁶ City's Br. at 19-20.

⁷⁷ City's Br. at 21 fn 89, citing *Bullseye Distrib. LLC v. State Gambling Comm'n*, 127 Wn. App. 231, 239 (2005); State v. Keller, 98 Wn.2d 725, 729 (1983) (interchange of "or" and "and" in statutory interpretation may be necessary to avoid absurd results).

⁷⁸ An irreconcilable assertion considering Amendment C to the Ordinance explicitly requires warnings in perpetuity related to the liquefaction prone zone. 79 City's br. at 22.

⁸⁰ Port's Br. at 18; Port's Reply at 4. See also FEIS 2022 Maritime Strategy for ample evidence supporting this as a liquification prone area, which is a critical area.

⁸¹ *Id.* see also Amendment C to the Ordinance regarding liquefaction zone.

⁸² City's Br. at 22, citing RIN 115, RIN 6.

Seattle Industrial & Maritime Strategy Final Environmental Impact Statement, upon which this Ordinance asserts it relied, the SODO/Stadium indicates "all of this subarea is prone to liquefaction and both known and potential landslide areas are located along the east and west edges."

Accordingly, the Board finds this is an area which contains critical areas and concludes it has the statutory authority to consider this SEPA challenge.

BNSF asserts the City was required to conduct SEPA review but failed to do so prior to enacting the Ordinance.⁸⁴ BNSF also complains the reliance on a FEIS prepared in 2022 for the City's Industrial and Maritime Strategy legislation, which Ordinance 127191 amends, is insufficient to rely upon for this new ordinance, and would have only served as a startingpoint, as that FEIS analyzed new industrial zones and land use policies and not residential uses.85 As to the City's assertion that its procedural determinations are afforded substantial weight, BNSF indicates no process occurred and the City is therefore entitled to no deference.⁸⁶ Further, that the burden would be on the City to first demonstrate *prima facie* compliance with SEPA's procedural requirements before it is entitled to deference.⁸⁷ That is because the City must "meaningfully engage in the SEPA process when making a threshold determination."88 The result, BNSF says, caused the City to pass an Ordinance that failed to sufficiently consider the environmental impacts. By way of example, BNSF's directs the Board to certain sound requirements, specifically that dwellings must have sound-insulating windows sufficient to maintain interior levels below 45 decibels (dB), but without analyzing the federal requirement that train horns must be blow every 15 to 20 seconds at 96 to 110 dB, which will sound ten times more intense and twice as loud to the human ear, the

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⁸³ *RIN* 6, p. 13-14, 127, 197-198, 200 exhibit 3.1-1, 203-204, 207. The FEIS is replete with statements that support this area as a liquification zone.

⁸⁴ BNSF's Br. at 1.

⁸⁵ BNSF's Br. at 2.

⁸⁶ BNSF's Br. at 3.

³⁷ Id.

⁸⁸ Id. quoting King County v. Friends of Sammamish Valley, 3 Wn.3d 793 (2024); referencing Wild Fish Conservancy v. Dep't of Fish & Wildlife, 198 Wn.2d 846, 866–67, 502 P.3d 359 (2022).

The Port asserts the City violated procedural and substantive SEPA safeguards by failing to study the probable impacts of 990 units adjacent to Major Truck Streets⁹¹ and industrial uses.⁹² The Port also contends the City demonstrated, through comments it made, that it had sufficient detail about the a specific project to mandate and trigger SEPA review.⁹³ Further, that the City's reliance on a 2022 FEIS (which considered residential units across the entire SODO/Stadium Subarea) was erroneous because it studied caretakers' quarters and makers' studios across the entirety of the subarea, and even the preferred alternative limited affordable housing to 644 units over the entire subarea, rather than considering the impact of 990 residential units in a three-block tract in SODO.⁹⁴ The Port also argues, in a footnote, that the impacts are likely greater because housing will be allowed in other parts of SODO/Stadium subarea.⁹⁵

Specific to Issues 12 and 13, the Port contends the City's decision to undertake no SEPA review is inconsistent with its own practice with respect to the 2022 Strategy FEIS and its code.⁹⁶ That the City was obligated to issue a threshold determination to address the

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⁸⁹ BNSF's Br. at 3-4.

⁹⁰ Id.

⁹¹ Major Truck Streets are primary routes to connect major freight traffic generators, including heavy haul routes. See City Transportation Plan Ex. 56, at F-8.

⁹² Port's Br. at 13.

⁹³ Port's Br. at 13-14.

⁹⁴ Port's Br. at 13.

⁹⁵ Port's Br. at 14.

⁹⁶ Port's Br. at 15, citing SMC 25.05.310(A) which provides, "A threshold determination is required for any proposal which meets the definition of action and is not categorically exempt, subject to the limitations in Section 25.05.600 C concerning proposals for which a threshold determination has already been issued. A threshold determination is not required for a planned action (refer to Sections 25.05.164 through 25.05.172) and SMC 25.05.784 which defines proposal as, "Proposal means a proposed action. A proposal includes both actions and regulatory decisions of agencies as well as any actions proposed by applicants. A proposal exists at that state in the development of an action when an agency is presented with an application, or has a goal and is actively preparing to make a decision on one or more alternative means of accomplishing that

impacts of the Ordinance it was proposing.⁹⁷ And, that the City failed to issue a SEIS or addendum to the FEIS it was relying upon.⁹⁸

The goals of SEPA are to (1) create harmony between people and the environment, (2) prevent damage to the environment, (3) stimulate the health and welfare of humans, and (4) enrich understanding of natural resources and systems. 99 Under SEPA, an EIS is required and must be prepared for any proposals and actions with a probable, significant, adverse environmental impact. 100 SEPA is an environmental full disclosure law that require local jurisdictions to identify and analyze the environmental effects of proposed actions in order to achieve good land use decision making by involving and informing both the public and decision-makers about the environmental consequences of proposed actions. 101 The procedural duties imposed by SEPA--full consideration to environmental protection--are to be exercised to the fullest extent possible to ensure that the "attempt by the people to shape their future environment by deliberation, not default" will be realized. 102 SEPA's purpose is to provide consideration of environmental factors at the earliest possible stage to allow decisions to be based on complete disclosure of environmental consequences. 103 For every proposals for legislation and other major actions significantly affecting the quality of the environment, a detailed statement by the SEPA responsible official is required addressing:

goal, and the environmental effects can be meaningfully evaluated. (See Section 25.05.055 and Section 25.05.060 C. A proposal may therefore be a particular or preferred course of action or several alternatives. For this reason, these rules use the phrase "alternatives including the proposed action." The term "proposal" may therefore include "other reasonable courses of action," if there is no preferred alternative and if it is appropriate to do so in the particular context."

⁹⁷ Port's Br. at 15, referencing RCW 43.21C.033 and SMC 25.05.310.

Id., referencing RCW 43.2C.034 and SMC 25.05.620 or .625.

⁹⁹ King Cnty v. Friends of Sammamish Valley, 3 Wn.3d 793, 814, 556 P.3d 132 (2024); RCW 43.21C.010. ¹⁰⁰ RCW 43.21C.031.

¹⁰¹ Moss v. City of Bellingham, 109 Wn. App. 6, 16, 31 P.3d 703, 709 (2001) rev. den'd, 1Wn. 2d 1046 17. (2002).

¹⁰² Eastlake Cmty. Council v. Roanoke Assocs., Inc., 82 Wn.2d 475, 490, 513 P.2d 36, 46 (1973), quoting Stemple v. Dep't of Water Res., 82 Wn. App. 2d 109, 118, 508 P.2d 166, 172(1973).

¹⁰³ King Cty. v. Washington State Boundary Rev. Bd. for King Cty., 122 Wn. 2d 648, 664, 860 P.2d 1024, 1033 (1993). See also RCW 43.21C.030; WAC 197-11-055(2) (The lead agency shall prepare its threshold determination and environmental impact statement (EIS), if required, at the earliest possible point in the planning and decision-making process, when the principal features of a proposal and its environmental impacts can be reasonably identified).

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the environmental impact of the proposal, any adverse environmental effects which cannot be avoided; alternatives; relationship between local short-term uses of the environment and the maintenance and enhancement of long-term productivity; and any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented. 104 SEPA, and the City, mandate that for any "action" that is not "categorically exempt," the SEPA Responsible Official shall issue a "threshold determination." "Actions" include, relevant here, legislative proposals, and fall into two categories: "project actions," such as an agency decision to licenses, fund, or undertake an activity, and "nonproject actions" which involve decision on policies, plans, or programs, including among other things, the decision to adopt or amend legislation, ordinances, comprehensive plans or zoning ordinances. The City categorically exempts small-scale development or routine activities that do not significantly affect the environment; however, legislative actions are not categorically exempt. Accordingly, and as the City agrees, 106 environmental review was required. However, the City did not make an independent threshold determination in this matter and instead indicates it relied upon "existing documents," specifically the 2022 FEIS. 107 That is because, from the City's perspective, the 2022 FEIS "for housing was the same as the preferred alternative in the FEIS." As noted above, the Board has found and concluded the 2022 Maritime and Marine Strategy FEIS did not study the same proposal and instead evaluated the impact of up to 646 residential units (subareas A through E) across the entire STAOD. The Preferred Alternative projected 1,475 housing units (66% being located in SODO/Stadium and Georgetown/SouthPark subareas) in the UI zones (across the entirety of the City). 108 While these proposals did both involve

¹⁰⁴ RCW 43.21C.030(c).

¹⁰⁵ "Action" SMC 25.05.704.A.3; "Categorically exemptions" SMC 25.05.800 and SMC 25.05.305; "Threshold determination" SMC 25.05.797.

¹⁰⁶ City's Br. at 26. "the Council properly relied on the Maritime and Industrial EIS to meet its SEPA obligation before adopting Ordinance 127191 since the proposal for housing was the same as the preferred alternative in the FEIS."

¹⁰⁷ City's Br. at 22.

¹⁰⁸ Seattle Industrial & Maritime Strategy at 1-31.

housing in some way, the Board finds they are otherwise markedly dissimilar.

Even if it were different, the City says, "[a]n action which does not have an environmental impact substantially different from an earlier proposed action does not require either a new threshold determination or a new supplemental draft or final environmental impact statement." However, the Director's Report, discussing the environmental and recommending adoption of the 2022 Industrial & Maritime Strategy, specifically noted as to housing in the Stadium Area, "OPCD's analysis in the EIS and other studies reviewed the potential for some limited amount of housing in the stadium area overlay district," but in consideration of a number of other factors, recommended against allowing housing in the STAOD. 110 Further, the Director's Report called out the need for stronger policy protections for industrial lands:

In recent years, several annual amendment proposals have sought to remove land from manufacturing industrial centers. Industrial land is finite in supply and consideration of any one proposal to remove land from an MIC should occur through a comprehensive review of the city's industrial land use needs. The proposed Comprehensive Plan amendments include a new policy to establish higher thresholds for when such an amendment can be considered. This policy will send a clear market signal that will deter the type of speculation that deters investments in industrial activity.¹¹¹

From the Board's perspective, collectively, this alerted the City that legislation which sought to place additional housing, especially in a concentrated area, required further environmental review.

¹⁰⁹ City's Br. at 26, citing *Thornton Creek Legal Def. Fund v. City of Seattle*, 113 Wn. App. 34, 49, 52 P.3d 522, 529 (2002), as amended on denial of reconsideration (Sept. 25, 2002), citing *SEAPC v. Cammack II Orchards*, 49 Wn. App. 609, 613, 744 P.2d 1101 (1987). (quotation in the original).

¹¹⁰ Director's Report and Recommendation, Seattle Industrial & Maritime Strategy at 46. "In consideration of all these factors and the totality of the information, the proposed legislation does not allow housing in the stadium overlay. A specific provision in the overlay regulations would prohibit any new housing in the STAOD."

¹¹¹ *RIN* 42, page 18, referencing: LU 10.3 Ensure predictability and permanence for industrial activities in industrial areas by limiting removal of land from a designated manufacturing / industrial center. There should be no reclassification of industrial land to a non-industrial land use category except as part of a City-initiated comprehensive study and review of industrial land use policies or as part of a major update to the Comprehensive Plan.

The City asserts that "Petitioner's theory rests on erroneous presumptions that the Ordinance approves a project that would allow 990 housing units. The Ordinance does no such thing, and Petitioner's speculation as to the impacts of this fictitious project approval have no merit." That is, the City says, "because no property owner has taken the first step to apply for a project permit application to the Seattle Department of Construction and Inspections ("SDCI") seeking to build any project in the STAOD with residential use." 113 And that any renderings that were presented were merely hypothetical and conceptual opportunities should the Ordinance pass. 114 On this point the Board agrees with the City, renderings and conceptual drawings do not amount to a project. However, that does not absolve the City of its obligation to conduct adequate environmental review. Adequate environmental review, for a nonproject action, requires consideration of the consequences of the maximum potential development of the property under the contemplated action. 115 There is no evidence in the record that the City considered the maximum potential development of property impacted by this Ordinance, let alone in a concentrated area. Nor is there evidence in the record that would demonstrate the City considered the environmental impact of placing 375 residential units in a liquification prone zone. That is because the City did not conduct separate environmental review of the challenged Ordinance.

In response to Port and BNSF's claim that the City violated substantive and procedural SEPA requirements "by not preparing a new environmental determination for Ordinance 127191," the City contends, in addition to the fact that it was not required to conduct SEPA review, which the Board disagrees with, 116 that the Port's position "conflicts with the plain language of SEPA, which authorizes reviewers to use 'existing documents' to meet their

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¹¹² City's Br. at 2.

¹¹³ *Id*.

[□] || ¹¹⁴ City's Br. at 2.

¹¹⁵ Spokane County v. E. Wash. Growth Mgmt. Hr'gs Bd, 176 Wn. App. 555, 579, 309 P.3d 673 (2013); Ullock v. Bremerton, 17 Wn. App. 573, 581, 565 P.2d 1179 (1977).

¹¹⁶ City's Br. at 1. This Board disagrees as RCW 43.21C.031(1) provides "an environmental impact statement . . . shall be prepared on proposals for legislation and other major actions having a probable significant,

SEPA obligations."¹¹⁷ The City also contends that the City utilized an existing document, specifically the FEIS for the 2022 Industrial and Maritime Strategy, which studied as a preferred alternative permitting residential housing in the STAOD, and that served as the City's basis for environmental review. ¹¹⁸ However, the Board concludes that the City did not adopt the EIS in a way its code recognized.

The City says it was not required to adopt the EIS it relied upon.¹¹⁹ That is because "SEPA requires an EIS to be adopted if a proposal differs from the proposal analyzed in the EIS," and that "agencies acting on the same proposal for which an environmental document was prepared are not required to adopt the document."¹²⁰

Lead agencies are authorized to use in whole or in part existing environmental documents for new project or nonproject actions, if the documents adequately address environmental considerations. The lead agency shall independently review existing documents and determine that the information and analysis to be used is relevant and adequate. Existing documents may be used for a proposal by either adoption, incorporation by reference, by addendum, or by preparing a Supplement Environmental Impact Statement (SEIS). The City requires the same.

The City's code provides criteria for determining whether an environmental document must be used unchanged and describes when existing documents may be used to meet all or part of an agency's responsibilities under SEPA. For the City, agencies may use environmental documents that have previously been prepared to evaluate proposed actions, alternatives, or environmental impacts, provided that the information in the existing

¹¹⁷ City's Br. at 22, citing RCW 43.21C.034, WAC 197-11-600(4)(a).

¹¹⁸ City's Br. at 23.

¹¹⁹ City's Br. at 29, citing SMC 25.05.600 D.1.

¹²⁰ *Id*.

¹²¹ RCW 43.21C.034; WAC 197-11-600(2). Projects or actions need not be identical but must have similar elements that provide a basis for comparing their environmental consequences.

¹²³ WAC 197-11-600(4)(a) through (d).

¹²⁴ SMC 25.05.600.D.

document(s) is accurate and reasonably up-to-date. 125 The proposals may be the same as, or different than, those analyzed in the existing documents. If acting on the same proposal, as the City asserts here, it shall use the document unchanged unless an EIS had been previously prepared and there are substantial changes to the proposal with likely adverse environmental impacts or new information indicates probable significant adverse impacts. 126

From that point the City's code directs "one or more" method for using existing documents: adoption, incorporation by reference, addendum, or preparing a SEIS (if there are substantial changes or new information). The City did none of these in adopting the challenged Ordinance and claims because it was acting on the same proposal it was not required to. This is not the same project. Instead, this project places 375 residential housing units in a more concentrated density than was considered in the 2022 FEIS, in a place that previously prohibited it, next to industry, rail, and Major Truck Streets that are in a liquification prone zone. Accordingly, the City was obligated to choose one or more of the methods of using the existing documents to ensure adequate environmental review.

The City's adoption procedures require the agency adopting an existing environmental document to independently review the content of the document and determine that it meets the adopting agency's environmental review standards and needs for the proposal; 129 the agency shall then, using a specific form or in substantially the same form, identify the document being relied upon and state why it is being adopted, sending the document to others who have not received it and placing a copy in the SEPA Public Information Center. When an existing EIS is adopted and a supplemental environmental impact statement or addendum is not being prepared, as was the case here, the agency

¹²⁵ SMC 25.05.600 B.

¹²⁶ SMC 25.05.600.C.2.a. and b. See also subsection 3. For EIS's, the agency concludes that its written comments on the DEIS warrant additional discussion for purposes of its action than that found in the lead agency's FEIS (in which case the agency may prepare a supplemental EIS at its own expense).

¹²⁷ SMC 25.05.600D.1. through 5.

¹²⁸ City's Br. at 29, citing SMC 25.05.600.D.1.

¹²⁹ SMC 25.05.630 A.

¹³⁰ SMC 25.05.630 B.

shall circulate its statement of adoption to "the Department of Ecology (Ecology), to agencies with jurisdiction, to cities/counties in which the proposal will be implemented, to the SEPA Public Information Center, and to local agencies or political subdivisions whose public services would be changed as a result of implementation of the proposal." That did not occur in this matter. Further, the City directs that "no action shall be taken on the proposal until seven days after the statement of adoption has been issued." Yet, it acted without a statement of adoption.

The City argues it was not required to prepare an addendum or SEIS because the housing permitted under the Ordinance had previously been analyzed "within the bookend of the FEIS preferred alternative." And that adoption was unnecessary because the City was acting on the same proposal. But, as noted above, this is a different project.

The record fails to demonstrate any independent evidence, such as the required statement of adoption, that the City independently reviewed the content of the 2022 Industrial and Maritime FEIS to determine whether the information and analysis from the earlier EIS remained relevant and adequate and met the adopting agency's environmental review standards and needs for the proposal.¹³⁴ Nothing in the record demonstrates the City circulated any documents related to the City's environmental review, besides the statement contained in the City's notice of public hearing that the City was relying on the 2022 FEIS, to Ecology or others, or that the City filed anything in the SEPA Public Information Center. The Board finds the City did not follow its defined environmental review process. Accordingly, the City has failed to meet its *prima facie* burden of establishing compliance with SEPA procedures and is afforded no deference. Furthermore, because the City failed to follow its administrative adoption procedures, the Board is left with a firm and definite conviction that a mistake has been made in the adoption of the challenged Ordinance.

¹³¹ SMC 25.05.630 C.1.

¹³² City's Br. at 29.

¹³³ IA

¹³⁴ SMC 25.05.630. The hearing notice identifies that the City relied on the 2022 FEIS for the adoption of this Ordinance, but that fails to meet the City's self-imposed procedural requirements.

Despite the failure, the City's nevertheless says any error was harmless because "the Council clarified that the FEIS was being used for the environmental review of Ordinance 127191," as stated in the notice of hearing; because "the FEIS was attached in full to the Summary and Fiscal Note included on the agenda for the January 24 meeting;" and because the OPCD Director "attended the January 24th meeting and presented to the Committee on the Industrial Strategy adoption process, the FEIS process, answered questions related to the Bill, and discussed the ongoing stakeholder consultation on planning issues in the SODO area." The City argues that the failure to explicitly state that it was incorporating the FEIS by reference was likewise harmless. 135 The City contends where the public received adequate notice of, and was afforded ample opportunity to be heard, on the environmental issues raised, any procedural error was rendered harmless. 136 And then counters that it was the Port's obligation "to establish the housing authorized in the Ordinance would result in any new significant environmental impacts requiring issuance of a Supplemental EIS." 137 This Board disagrees.

Harmless error is an error which is trivial, or formal, or merely academic, and was not prejudicial to the substantial rights of the party assigning it, and in no way affected the outcome of the case. 138

Here, the failure to follow the City's defined process deprived the Port and others of their ability to challenge the City's SEPA determinations, which the Board finds to be a substantive right. Had the City issued a threshold determination, as it was required to do, that determination could have been administratively challenged.¹³⁹ The City, also, failed to

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¹³⁵ City's Br. at 29-30.

¹³⁶ City's Br. at 32, citing *Thornton Creek Legal Def. Fund v.City of Seattle*, 113 Wn. App. 34, 50, 52 P.3d 522, 530 (2002), as amended on denial of reconsideration (Sept. 25, 2002). Affirming error was harmless where the City failed to prepare and circulate a "statement of adoption," just as in this case, but unlike this case, the Director in that matter testified that an addendum to the FEIS was sent to all who would have otherwise received a statement of adoption.

¹³⁷ City's Br. at 31.

¹³⁸ City of Bellevue v. Lorang, 140 Wn.2d 19, 32, 992 P.2d 496 (2000), quoting State v. Smith, 131 Wn.2d 258, 263-64, 930 P.2d 917 (1997); see also Ellensburg Cement Prods., Inc. v. Kittitas County, 179 Wn.2d 737, 317 P.3d 1037 (2014) (holding it was not harmless error to follow an unlawful procedure). ¹³⁹ SMC 25.05.680.

develop a record related to its review, which deprived challengers of a record as well. Here, because the City did nothing, there was nothing to challenge, except the failure to follow the City's process. From the Board's perspective, the City's failure to follow its defined process was not trivial or merely academic, and far from harmless. As we noted in *Dartford Austin Neighborhood*, "failure to follow SEPA procedures in properly issuing the determination of nonsignificance and allowing for an administrative appeal is a significant shortcoming warranting a finding of noncompliance by this Board." Accordingly, the Board finds the City's adoption of Ordinance 127191 was noncompliant with the City's SEPA obligations.

Specific to Issues 15 and 16, the Port asserts the City attempted to exercise its substantive SEPA authority to mitigate the impacts by adding, what it describes as, several last-minute, arbitrary amendments such as "prohibiting residential uses West of First Avenue South to limit impact of housing on the Port's activities and vice versa," but that no SEPA document exists to support the choice of mitigation measures. 141 Such conditions, the Port contends, must be based on SEPA analysis and based on appropriate governmental policies. 142 That assuming, arguendo, the City relied upon the 2022 Strategy FEIS to impose any conditions, such reliance provided no basis for mitigation and instead emphasized the importance of preserving designated freight corridors and avoid conflicting uses. 143 That there are dangers from land use conflicts in the STADO, noting "the SODO area accounted for more than half of the serious injuries and fatalities that occurred within the study area" and that the areas on-street parking demand already exceeded existing supply. 144

The City counters that the amendments "had nothing to do with SEPA," that any governmental action may be conditioned or denied pursuant SEPA. 145 That the amendments

¹⁴⁰ Dartford Austin Neighborhood v. Spokane Cnty., GMHB No. 21-1-0004 (Final Decision and Order, September 14, 2021) at 6 (citing State ex rel. Friend & Rikalo Contractor v. Grays Harbor Cty., 122 Wn. 2d 244, 255-56, 857 P.2d 1039,1046 (1993).

¹⁴¹ Port's Br. at 15-16.

¹⁴² *Id*.

¹⁴³ *Id*.

¹⁴⁴ **I**a

¹⁴⁵ Citing RCW 43.21C.060 and SMC 25.05.660.A. ("Any governmental action on public or private proposals that are not exempt may be conditioned or denied under SEPA. . .").

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were to address concerns raised during the hearing, and "in an attempt to reach a compromise legislation."146

Based on the record before the Board, as to Issue Nos. 11, 12, 13, and 14, we are left with a firm and definite conviction that a mistake has been committed. The City should have either properly adopted the 2022 FEIS as defined by the City's process, supplemented or issued an addendum, or separately conduct SEPA review. That, in addition to the failure to issue a threshold determination, resulted in the City's failure to analyze the probable adverse environmental impacts of the Ordinance as required by its code and SEPA. Accordingly, the Board finds the City's adoption of Ordinance 127191 was clearly erroneous and concludes that the City's adoption of the challenged Ordinance did not comply with SEPA.

Because the Board has found and concluded the City's adoption of the challenged Ordinance was procedurally inadequate, the Board does not reach the remaining SEPA issues and defers consideration of Issues Nos. 15 and 16.

The Port combines issues 1, 9, and 10.

Issue No.1. Does the Ordinance fail to comply with the GMA's requirements because it allows development that will interfere with the planning goals enumerated at RCW 36.70A.020(3) (Transportation), (5) (Economic Development), or (12) (Public Facilities and Services)?

Issue No. 9. Did the City violate the GMA's requirements at RCW 36.70A.172 by failing to include the best available science in its decision to adopt the Ordinance and permit residential development on the Rezoned Property, which contains liquefaction-prone, environmentally critical areas?

Issue No. 10. Does the Ordinance fail to comply with the GMA's requirements at RCW 36.70A.200 by precluding the siting of essential public facilities?

The Port asserts that the Ordinance substantial interferes with the GMA's goals regarding transportation, economic development, and public facilities and services. 147

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¹⁴⁶ City's Br. at 31. It is unclear to this Board how removing the 200-foot separation requirement between residential uses and Major Truck Streets was a compromise with the Port. ¹⁴⁷ Port's Br. at 19-22.

With respect to transportation, the City is obligated to "encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled, and are based on regional priorities and coordinated with county and city comprehensive plans." ¹⁴⁸ The Port claims the City has failed to consider or address the impacts of residential development, and the traffic conflicts that necessarily result, along Major Truck Streets and that the increased traffic demands will exacerbate ongoing challenges for industrial and maritime uses and decrease fright mobility and operational efficiencies. ¹⁴⁹ Further, there are numerous intermodal facilities within this neighborhood, and the roads are used for trucking, heavy hauling, seaport, and rail yards that contribute to the City's economic vitality that will be impacted. ¹⁵⁰ The Port points to its opposition letter to the Governance, Accountability and Economic Development Committee, ¹⁵¹ letter from the Seattle Freight Advisory Board (SFAB), ¹⁵² and Port's letter to the Council ¹⁵³ as support for the impacts it sees as inherent in the Ordinance.

The City counters that Petitioner has failed to meet its burden because it did not "present its own independent analysis or study of the Ordinance's impacts to refute the findings of the FEIS," high which "analyzed the impacts of adding housing units in the STAOD as proposed in the Ordinance and it found minimal impacts on truck and vehicle travel times within the STAOD." Further, that the Ordinance addressed potential impacts by requiring that "any new residential use must demonstrate it is located, designed, and configured in a

¹⁴⁸ RCW 36.70A.020(3). Italics from the Port. See Port Br. at 19.

¹⁴⁹ Port's Br. at 19-20.

¹⁵⁰ Port's Br. at 20.

¹⁵¹ Ports Br. at 19, citing PCA00231, indicating "residential development in the . . . (STAOD) that would exacerbate ongoing challenges for industrial and maritime uses. . . .[and] erode[] the foothold in the Duwamish Manufacturing/Industrial Center (MIC) for industrial and maritime development that is essential to the regional and state economy."

¹⁵² Port's Br. at 19, citing PCA00047, indicating the Ordinance "will add additional stress on the transportation system in the STAOD."

¹⁵³ Port's Br. at 19, citing PCA00683, indicating that "Adding hundreds of housing units in the . . . Stadium District only decreases freight mobility and operational efficiencies and guarantees increased traffic and opportunities for conflict between residential and freight use of these Major Truck Streets").

¹⁵⁴ Referencing the BERK Consulting transportation analysis.

¹⁵⁵ City's Br. at 37, 40-41.

manner to reduce potential conflict with adjacent existing industrial business operations . . ."¹⁵⁶ That the Port's claims of "obvious impacts" do not reflect the record and are inconsistent with the "2016 EIS was looking at the impacts of adding another stadium in the area, which would generate thousands of vehicles for basketball and other stadium events . . ."¹⁵⁷

While it is evident that intermodal rail facilities as well as truck traffic accessing the Port facilities rely on the City's Major Truck streets within the STAOD, there is an absence of evidence which would demonstrate the Ordinance, by its terms, fail to encourage or otherwise thwarts the goal of efficient multimodal transportation systems or that it is contrary to regional priorities or not coordinated with county and city comprehensive plans. Instead, the record contains conclusory statements regarding what the Port see as self-evident. This, as the City points out, is insufficient to demonstrate the Ordinance substantially interferes with the GMA's transportation goals. As such, the Board agrees with the City that the Port has failed to meet its burden as to the GMA transportation goal. ¹⁵⁸

With respect to economic development, the City must:

Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities. 159

The Port asserts the City erred because it myopically focused on a residential proposal rather than properly balancing any purported benefits against the potential degradation to Port operations, and without ensuring it was consistent with the City's Comprehensive Plan, or whether it interfered with countervailing economic development considerations, specifically

¹⁵⁶ City's Br. at 42, citing SMC 23.50A.062.F (though it appears the correct citation is SMC 23.50A.062.C.6), SMC 23.50A.060 (Criteria for all conditional uses) and SMC 23.50A.062 (Administrative conditional uses). ¹⁵⁷ *Id*.

¹⁵⁸ RCW 36.70A.020(3).

¹⁵⁹ RCW 36.70A.020(5). Italics from the Port. See Port Br. at 20.

the benefits relating to the Port's EPF's. 160 Further, that the City failed to address impacts to "the Port's longstanding industrial/maritime business, or how it would impact the other businesses within the MIC that are dependent on the Port's continued operation for their survival." 161

The City counters that many uses can co-exist without substantial impairment of the GMA economic development goal and the Port's assertion "that the Ordinance will impair their operation due to increased traffic" is contradicted by the EIS and is offered without supporting evidence. Instead, the City suggests, the Ordinance will advance "economic opportunity by increasing housing to support industry and to support low-income residents, thus reducing commute times and supporting workforce retention. That is because "mixed-use development diversifies the local economy and attracts investment . . . while preserving and supporting industrial uses, according to the City. Further that "the STAOD draws approximately 7 million people per year, many of whom attend sporting events, which also supports economic development, and that ultimately the Port has failed to meet its burden.

The Board agrees with the City and finds that the Port has failed to meet its burden of demonstrating the Ordinance will substantially interfere with the GMA's economic development goal.

With respect to ensuring adequate public facilities and services, the City must:

Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards. 166

¹⁶⁰ Port's Br. at 20-21.

¹⁶¹ Port's Br. at 21.

¹⁶² City's Br. at 43.

¹⁶³ *Id*.

Id

¹⁶⁵ *Id.* referencing PCB00003 (comment from Washington State Major League Baseball Stadium Public Facilities District and the Washington State Public Stadium Authority on the Industrial and Maritime Strategy). ¹⁶⁶ RCW 36.70A.020(12). Italics from Port. The Port incorrectly references 020(5), but otherwise correctly sets out the proper GMA goal. See Port's Br. at 21.

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The Port says the Ordinance authorizes dense, residential development in the STAOD without providing adequate public facilities such as parks, fire, 167 police, schools, libraries, grocery stores, or retail stores. 168 The Port finds support for this assertion in the Arena FEIS¹⁶⁹ which indicated that:

In addition to the main factor that residential uses may be incompatible with existing industrial uses in the SoDo study area, the SoDo neighborhood also lacks the amenities and services, such as grocery stores, retail, neighborhood services and parks/open space, that are desirable to new residents. 170

The City contends the "2022 EIS found no significant avoidable adverse impacts to fire and emergency medical services, police or schools or libraries are expected for the alternatives in the FEIS with application of mitigation measures." The Board agrees, as the FEIS found: "Ongoing City operational and capital facilities planning efforts are anticipated to address incremental increases and other changes in demand for fire [& Emergency Medical] services." 172 This is also true for law enforcement services. 173 And, according to the City, the FEIS also analyzed impacts to schools under each alternative. 174 While the City did not specifically explain the FEIS findings, the Board and Port both observe that "there are no public or private schools or libraries in the subarea." ¹⁷⁵ However, the FEIS contemplated residential development at this location, as well as several other locations, and it concluded over the 20-year planning period, the entire area would see an increase of 437 students (SODO, under the preferred alternative seeing 94 students) which is mitigated by ongoing Seattle School District capital facilities management planning which was anticipated to be

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¹⁶⁷ According to the Port there is one fire station in the area.

¹⁶⁸ Port's Br. at 21.

¹⁶⁹ Noticeably relying a 2016 report, rather than the more comprehensive and recent 2022 Seattle Industrial & Maritime Strategy.

¹⁷⁰ *Id.*, referencing Arena FEIS Ex. 62, App. F. at 121.

¹⁷¹ City's Br. at 44, citing Exhibit 26, p. 151-152. 172 FEIS 3-598.

¹⁷³ Id. "Ongoing City of Seattle capital improvement planning and budgeting efforts are anticipated to address police facility needs, including potential needs for future improvements." ¹⁷⁴ City's Br. at 44, citing Exhibit 26 p. 152-153.

¹⁷⁵ Port's Br. at 22, citing See FEIS Ex. 26 at 788.

sufficient to address increases in student population.¹⁷⁶ Likewise for libraries. The Board is, therefore, not convinced that, at the time of development, there will be insufficient public services as it relates to schools, libraries, fire and EMS, or law enforcement.

The Port also takes issue with a lack of parks and open space, ¹⁷⁷ but the City indicates there are 59.13 acres of parks and 6.3 miles of trails and "while increased population may require more parks to be acquired to maintain the 8 acres of park for 1,000 people, the EIS concluded that 'no significant unavoidable adverse impacts to open space and recreation are anticipated." ¹⁷⁸ The Board agrees.

From the Board's perspective, the Port has failed to show that "at the time the development" there would be inadequate public services for occupancy and use without decreasing current service levels below locally established minimum standards. That is because, as the City indicates and the Board agrees, "the 2022 FEIS did analyze whether housing in the STAOD would impact public services and concluded it would not." The Port has failed to present contrary evidence sufficient to convince the Board that at the time of development there will be inadequate public facilities. Because the Port has failed to meet its burden, Issue No. 1 is dismissed.

The Port also asserts the City failed to include or incorporate "best available science" (BAS) by permitting residential development within the City's designated liquefaction-prone critical area in disregard of its critical areas ordinance. The City counters that it did not amend its critical areas ordinance and as a result it was not required to include BAS in adopting the challenged Ordinance. The Board agrees with the City. The City was neither adopting nor amending its critical areas ordinance, and, as such, was not required to include BAS in adopting the Ordinance at issue. Because the Port has failed to convince the Board

¹⁷⁶ Seattle Industrial & Maritime Strategy FEIS 3-590, Exhibit 3.13-19; 3-598.

¹⁷⁷ Port's Br. at 22.

¹⁷⁸ *Id*.; City's Br. at 44.

¹⁷⁹ Id. quotations in the original, citing RIN 6, FEIS p. 3-540, p. 3-542 and 3-543.

¹⁸⁰ Port's Br. at 18, citing SMC 25.09.065(C)(2).

¹⁸¹ City's Br. at 10-11.

¹⁸² RCW 36.70A.172(1).

that the City was required to include BAS in adopting this Ordinance, **Issue No. 9 must be dismissed.**

With respect to Essential Public Facilities (EPFs), the Port asserts adoption of the challenged Ordinance precludes the siting or more specifically the expansion of an EPF through the impairment of the road network that is used for the deepwater port. That the "siting of 990 residential units in the middle of the Port's EPF will render future use and expansions (both in intensity and physical footprint) impracticable." And that the Ordinance will burden the Port's road network in a way that will make future expansions impossible or impracticable." The Port's road network in a way that will make future expansions impossible or impracticable."

This City does not address whether the Ordinance makes expansion impossible or impracticable, and instead requests dismissal of Issue 10, "because the Ordinance has nothing to do with the imposition of conditions or costs related to the mitigation of adverse impacts directly caused by construction or operation of EPFs, nor does it have anything to do with the timely issuance of permits related to the construction or expansion of an EPF." The City misses the Ports argument and instead identifies the Port's facilities as separated by SR 99/Alaskan Way and indicates a "state roadway separates the Port facilities from SODO to the east" and that the Port failed to present "evidence that it sought to construct a new facility or expand existing facilities east of SR 99/Alaskan Way and was otherwise precluded from doing so by conditions or costs imposed by the City to mitigate adverse impacts caused by the construction or operation of the EPF." While permit denial or costs

¹⁸³ Port's Br. at 17-18, citing RCW 36.70A.115 (sufficient land for development); RCW 36.70A.200(5)(prohibition against precluding the siting of essential public facilities), and WAC 365-196-550(3)(a)(May no preclude the siting of an essential public facility if their combined effects would make the siting of an essential public facility impossible or impracticable). See also Port's Reply at 8-9.

¹⁸⁴ Port's Br. at 17, citing *Port of Shelton v. City of Shelton*, GMHB No. 10-2-0013 (Final Decision and Order, October 27, 2010) at 23. The City asserts this case is fact dependent and specific to airports. The Board

October 27, 2010) at 23. The City asserts this case is fact dependent and specific to airports. The Board disagrees. In the *Port of Shelton* matter, the Board considered RCW 36.70A.200(5) and *Des Moines v. PSRC*, 108 Wn. App. 836, 845 (1999)(affirmatively addressed that siting EPF's includes expansion or improvement, and activities necessary for expansion).

¹⁸⁵ Port's Reply at 8-9.

¹⁸⁶ City's Br. at 11, citing RCW 36.70A.200(5)(b).

¹⁸⁷ City's Br. at 11.

is not the point here, nevertheless, the Port fails to convince this Board or point to evidence in the record that the support its position. First, the Board, as discussed above, disagrees that this will result in 990 residential units and believes the true number of units capable of being placed in the limited footprint is 375. Further, while traffic remains an issue, perhaps everywhere in western Washington, the Port fails to demonstrate any specific traffic impacts in a way that would persuade the Board that the City's adoption was clearly erroneous. Thus, the Port has failed to carry its burden on this point. Accordingly, **Issue 10 is dismissed.**

The Port combines issues 2, 6, 7, and 8.

Issue No. 2. Does the Ordinance fail to comply with the GMA's requirements because it allows development that will interfere with the planning goals enumerated at RCW 36.70A.020(15) and RCW 90.58.020?

Issue No. 6. Does the Ordinance violate the GMA's requirements at RCW 36.70A.040 and RCW 36.70A.130 because its terms are inconsistent with and fail to implement the Comprehensive Plan, including the Land Use Element, the Transportation Element, the Container Port Element, the Parks and Open Space Element, the Community Well-Being Element, the Growth Strategy Element, the Shoreline Areas Element, and the Greater Duwamish MIC Neighborhood Plan?

Issue No. 7. By adopting the Ordinance, has the City failed to comply with the GMA's requirements at RCW 36.70A.115 requiring cities to provide sufficient land capacity for future development of industrial facilities?

Issue No. 8. Does the Ordinance fail to comply with the GMA's requirements at RCW 36.70A.040 and RCW 36.70A.130 due to its inconsistencies with, or failure to implement, the goals and policies described in King County's Comprehensive Plan, and Countywide Planning Policies incorporated into the City's Comprehensive Plan pursuant to RCW 36.70A.100 and .210?

The Port claims this Ordinance creates an inconsistency with the City's Comprehensive Plan, which incorporates the Shoreline Management Act (SMA), because "the Ordinance's impacts will disrupt Port operations, within and outside of shoreline areas, further diminish scarce industrial lands, and permanently harm the regional and state

The Port contends the Ordinance is inconsistent and fails to implement the City's Comprehensive Plan Land Use element and calls the Board's attention to what it describes an incongruity in the Ordinance's recitals which expressly call for the perseveration of industrial lands, key infrastructure, and a restriction on residential development, yet the result of the Ordinance fails to do so by permitting residential development on industrial lands next to Major Truck Streets thereby impairing both. 191 That the City conflates "workforce housing" with "dwellings for workers that are related to the industrial area and that would not restrict or disrupt industrial activity." 192 And, that the Ordinance violates King County's Comprehensive Plan Goals, incorporated into the City's Comprehensive Plan by the

¹⁸⁸ Port's Br. at 29-30.

¹⁸⁹ City's Br. at 12-13, citing RCW 36.70A.020(15). Shorelines of the state include state water bodies and adjacent shorelines within 200 feet of the ordinary high-water mark, associated floodways, floodplains, wetlands, and deltas, as well as designated coastal and riparian waters of statewide significance. RCW 90.50.030(d)-(f).

¹⁹¹ Port's Br. at 22, citing Comp Plan Ex. 41, p.58 (Goal LU G10—Provide sufficient land with the necessary characteristics to allow industrial activity to thrive in Seattle and protect the preferred industrial function of these areas from activities that could disrupt or displace them), RCW 36.70A.040 (development regulations must implement the comprehensive plan), and 36.70A.130(1)(e) development regulations shall be consistent with and implement the comprehensive plan. See also LU 10.2 (Preserve industrial land for industrial uses, especially where industrial land is near rail- or water-transportation facilities, in order to allow marine- and rail-related industries that rely on that transportation infrastructure to continue to function in the city.); LU 10.3 (Ensure predictability and permanence for industrial activities in industrial areas by limiting changes in industrial land use designation. There should be no reclassification of industrial land to a non-industrial land use category except as part of a City-initiated comprehensive study and review of industrial land use policies or as part of a major update to the Comprehensive Plan); and LU 10.8 (Prohibit new residential development in industrial zones, except for certain types of dwellings, such as caretaker units and in urban industrial zones, dwellings for workers that are related to the industrial area and that would not restrict or disrupt industrial activity.).

¹⁹² Port's Br. at 23, citing LU 10.8.

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requirement of coordination and consistency with other comprehensive plans 193 and countywide planning policies, 194 by permitting dense residential development in an area incompatible with residential uses which also results in industrial land conversion. 195 Additionally, that the Ordinance violates the City's land use planning and growth strategies because it fails to maintain industrial areas that have critical supporting infrastructure and fails to provide transitions between industrial areas and less intensive areas. 196 And that it does not "apply the general industrial zones mostly within the designated manufacturing/industrial centers (MIC's) where impacts from industrial activity are less likely to affect residential or commercial uses. 197 Lastly, that the Ordinance is inconsistent with the City's growth strategy as it relates to MIC's because it doesn't promote manufacturing, warehousing, and distributions uses and discouraging uses that pose conflicts with the industrial area. 198

¹⁹³ RCW 36.70A.100.

¹⁹⁴ RCW 36.70A.210, referencing U-255 (Within the Urban Growth Area, properties with existing industrial uses shall be protected); ED-211 (King County should support programs and strategies to preserve and plan for an adequate supply of industrial and commercial land capacity); and U-227 (Industrial development should have direct access from arterials or freeways. Access points should be combined and limited in number to allow smooth traffic flow on arterials. Access through residential areas should be avoided.).

¹⁹⁵ Port's Br. at 23-24.

¹⁹⁶ Port's Br. at 24, citing LU 10.6 (Provide a range of industrial zones that address varying conditions and priorities in different industrial areas. Those priorities include maintaining industrial areas that have critical supporting infrastructure, leveraging investments in high-capacity transit service, providing transitions between industrial areas and less intensive areas, and promoting high-quality environments attractive to business expansion or to new industrial activities.).

¹⁹⁷ Port's Br. at 24, citing LU 10.10. (Apply the general industrial zones mostly within the designated manufacturing/industrial centers, where impacts from industrial activity are less likely to affect residential or commercial uses. Outside of manufacturing/industrial centers, general industrial or the maritime, manufacturing, and logistics zones may be appropriate along waterways used for maritime uses. Consider applying the maritime, manufacturing, and logistics designation mostly within the designated manufacturing/industrial centers and it may also be appropriate outside of manufacturing/industrial centers along waterways used for maritime uses.).

¹⁹⁸ Port's Br. at 24, citing GS 1.15. Designate areas as manufacturing/industrial centers (MIC's) consistent with the following characteristics and with the Countywide Planning Policies: Existing zoning that promotes manufacturing, warehousing, and distribution uses; zoning that discourages uses that pose short- or long-term conflicts with industrial uses, or that threaten to convert significant amounts of industrial land to nonindustrial uses; zoning that strictly limits residential uses and discourages land uses that are not compatible with industrial uses; buffers that protect neighboring, less intensive land uses from the impacts associated with industrial activity (provided by generally maintaining existing buffers, including existing industrial buffer zones); sufficient zoning capacity to accommodate a minimum of ten thousand jobs; relatively

The result, the Port says, strips the STAOD of its transition purposes between commercial and residential uses and the heavy industrial uses in violation of land use policy. ¹⁹⁹ The City, the Port claims, has previously recognized the incompatibility of placing residential uses adjacent to industrial uses and found:

[I]ndustrial uses are extremely limited geographically, with few options to expand the existing industrial land base, making the preservation of this scarce resource all the more imperative . . . [t]his resource cannot be duplicated if marine lands are converted to nonindustrial uses (as has occurred elsewhere in the region).²⁰⁰

As a result, the Port says, the Ordinance enables development with conflicting uses in industrial lands.²⁰¹

The City counters, and the Board agrees, that local jurisdictions enjoy broad discretion in comprehensive planning choices which are left to local policy makers and circumstances, provided they are bound by the constraints contained within the GMA, and that the burden rests with the Petitioner to demonstrate the challenge ordinance is inconsistent with, or will thwart, the policy.²⁰² "Consistency," means that no feature of a plan or regulation is incompatible with any other feature of a plan or regulation; consistency is indicative of a capacity for orderly integration or operation with other elements in a system.²⁰³ A finding of inconsistency requires a showing of actual conflict between competing provisions of a local

flat terrain allowing for efficient industrial processes; reasonable access to the regional highway, rail, air, and/or waterway systems for transportation of goods.

¹⁹⁹ Port's Br. at 24-25, referencing LU 10.6, LU 10.22, and GS 1.15.

²⁰⁰ Port's Br. at 24, referencing Ex 49.

²⁰¹ Port's Br. at 23-25, citing LU G10, LU 10.6, LU 10.10, GS 1.15, U-255, ED-211, and U-227; MIC Plan Ex. 49, at 26-27; Arena FEIS Ex. 62, App. F, at 109; SMC 23.74.002(A). The Stadium Transition Area centers on large sports facilities and allows uses complementary to them. It is intended to contribute to a safer pedestrian environment for those attending events and permits a mix of uses, supporting the pedestrian-oriented character of the area as well as the surrounding industrial zone, while minimizing conflicts with industrial uses.

²⁰² City's Br. at 31-32.

²⁰³ WAC 365-196-210(9). The City incorrectly cites WAC 365-196-210(8), City's Br. at 32, but that reference is to concurrency.

jurisdictions policy and regulation.²⁰⁴ As we noted in *Friends of San Juan*, the Board's determinations of inconsistencies are found when there is a direct conflict between the comprehensive plan goal or policy and the adopted development regulation.²⁰⁵ For example, in *Peranzi*, like in this matter, a comprehensive plan policy prohibited uses incompatible with industrial uses and the record established the proposed residential use was incompatible.²⁰⁶

The City says its Ordinance is in harmony with the comprehensive plan "to establish that the small amount of industrial lands identified as transitional areas zoned UI . . . that provide a buffer between heavier industry and residential mixed-use areas are appropriate places to allow industry-supportive housing in a limited capacity as an administrative conditional use."²⁰⁷ That the Ordinance is consistent with Comprehensive Plan Land Use Goals, Policies, and Strategy, and that the Port ignores the 2023 Industrial Strategy which the City claims strengthened protections of industrial lands while providing for some "limited new residential use ancillary to a non-residential mixed-use development" that would "provide needed affordable housing for both industrial workers and the community, and the need to spur redevelopment allowing for the creation of light manufacturing maker spaces and other non-residential uses appropriate for the industrial zone, and specifically here, the STAOD."²⁰⁸

The City's Industrial Areas Land Element goal is to "provide sufficient land with the necessary characteristics to allow industrial activity to thrive in Seattle and protect the preferred industrial function of these areas from activities that could disrupt or displace them." Through the Maritime and Marine Strategy, the City zoned 376 acres into a new UI zone, a portion of which is at issue here.²⁰⁹ The City then adopted specific policies, relevant here, to

²⁰⁴ *Leenstra v. Whatcom County*, WWGMHB No. 03-2-0011 (Final Decision and Order, September 26, 2003) at 15.

²⁰⁵ Friends of the San Juans, et al, v. San Juan County, GMHB No 13-2-0012c (Final Decision and Order, September 6, 2013) at 24.

 ²⁰⁶ Peranzi v. City of Olympia, GMHB. No. 11-2-0011 (Final Decision and Order, May 4, 2012) at 21, 22.
 207 City's Br. at 32.

²⁰⁸ City's Br. at 33, referencing LUG 10, LU 10.6, LU 10.10, LU 10.22, GS 1.15.

²⁰⁹ City's Br. at 33, citing *RIN* 6, FEIS, p. 1-32-33. (see also Exhibit 128 at page 10 of this decision for a visual).

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"preserve industrial land for industrial uses, especially where industrial land is near rail- or water-transportation facilities, in order to allow marine- and rail-related industries that rely on that transportation infrastructure to continue to function in the city: "210 "ensure predictability and permanence for industrial activities in industrial areas by limiting changes in industrial land use designation. There should be *no reclassification of* industrial land to a non-industrial land use category except as part of a City-initiated comprehensive study and review of industrial land use policies or as part of a major update to the Comprehensive Plan;"211 "provide a range of industrial zones that address varying conditions and priorities in different industrial areas. Those priorities include maintaining industrial areas that have critical supporting infrastructure, leveraging investments in high-capacity transit service, providing transitions between industrial areas and less intensive areas, and promoting high-quality environments attractive to business expansion or to new industrial activities': 212 Prohibit new residential development in industrial zones, except for certain types of dwellings, such as caretaker units and in urban industrial zones, dwellings for workers that are related to the industrial area and that would not restrict or disrupt industrial activity; 213 and that the City is to "apply the general industrial zones mostly within the designated manufacturing/industrial centers, where impacts from industrial activity are less likely to affect residential or commercial uses....."214

To support industrial development and ensure compatibility with adjacent land uses. the King County Countywide Planning Policies call for the protection of properties with existing industrial uses within the Urban Growth Area. 215 That the County, and by extension the City, should support programs and strategies to preserve and plan for an

²¹⁰ LU 10.2 (emphasis added).

²¹¹ LU 10.3 (emphasis added).

²¹² LU 10.6 (emphasis added).

²¹³ LU 10.8 (emphasis added).

²¹⁴ LU 10.10 (emphasis added).

²¹⁵ U--225 (Within the Urban Growth Area, properties with existing industrial uses shall be protected).

adequate supply of industrial and commercial land capacity, including participating in the Puget Sound Regional Council's Industrial Lands Analysis, actively apply for resources, promote redevelopment and infill, and prevent the encroachment of nonindustrial uses on industrially zoned land and the rezoning of industrial land to other uses. ²¹⁶ Lastly, that industrial development should have direct access from arterials or freeways . . . and access through residential areas should be avoided. ²¹⁷

Each of these policies, as the City correctly notes, strengthens protections of industrial lands. Perhaps the most significant among them was the policy prohibiting the reclassification of industrial lands to non-industrial uses except as part of a major update to the comprehensive plan. The Board finds the City's adoption of Ordinance 127191 was not part of a major update to the City's Comprehensive Plan and that the Ordinance permitted the reclassification of industrial lands to non-industrial use which was contrary to the City's policy. The Board further finds the Ordinance permits residential dwellings in the UI zone which are neither restricted to caretaker units, nor are they restricted to dwellings for workers that are related to the industrial area. Instead, the only restrictions related to affordability, and then only that half of the "units must be at or below 60% of median income for SEDUs, 80 percent of median income for studio and one bedroom units, and 90 percent of median income for two-bedroom and larger units." While the Ordinance does permit a developer to elect to make all units industrial or caretaker quarters, which is limited to 3 units per single business, they may also elect to make half of the units "affordable" with the other half leasing

²¹⁶ ED-211 (King County should support programs and strategies to preserve and plan for an adequate supply of industrial and commercial land capacity, including but not limited to participating in the Puget Sound Regional Council's Industrial Lands Analysis, Actively apply for resources, promote redevelopment and infill, prevent the encroachment of nonindustrial uses on industrially zoned land and the rezoning of industrial land to other uses.)

²¹⁷ and U-227 (Industrial development should have direct access from arterials or freeways. Access points should be combined and limited in number to allow smooth traffic flow on arterials. Access through residential areas should be avoided).

²¹⁸ LU 10.3.

²¹⁹ City's Br. at 22, citing SMC 23.50A.062.C.9.

 at market rate.²²⁰ This is directly contrary to the City's policy to restrict residential development in this area. It is also contrary to the Countywide Planning Policy to protect properties with existing industrial uses within the Urban Growth Area and prevent the encroachment of nonindustrial uses on industrially zoned land and the rezoning of industrial land to other uses, as well as avoiding accessing industrial development through residential development. Placing residential dwellings which are unrelated to the industry, adjacent to Major Truck Streets while simultaneously removing a 200-foot buffer disrupts associated industrial activity and restricts industry access.²²¹ The Board also finds Ordinance 127191 failed to preserve industrial land for industrial uses by encroaching on and removing the 200- foot buffer which protected and preserved the City's Major Truck Streets for the rail and water-dependent operations that rely on them, specifically the Port and BNSF. This is particularly concerning because the City failed to conduct comprehensive review as required by its policy, and as demonstrated in the brevity of the public process in this matter, failed to "ensure predictability and permanence for industrial activities in industrial areas by limiting changes in industrial land use designation."²²²

As to Issue Nos. 6 and 8, the Board is left with a firm and definite conviction that Ordinance 127191 is inconsistent with the City's policies and the Countywide Planning Polices noted above and is therefore inconsistent with the City's Comprehensive Plan Land Use element. Accordingly, Ordinance 127191 is non-compliant with the GMA.²²³

²²⁰ SMC 23.50A.062.C.9. The City permits developers to select between limiting occupancy to either: a. "All dwelling units are live-work units in which the commercial activity qualifies as industrial, or are caretakers' quarters associated with a business on the same site provided no single business shall have more than three associated caretakers' quarters; or b.A minimum of 50 percent of the dwelling units are made available at affordable rent or affordable sale price for a period of 75 years beginning January 1 of the year following final certificate of occupancy to eligible households with annual incomes at or below 60 percent of median income for SEDUs, 80 percent of median income for studio and one bedroom units, and 90 percent of median income for two-bedroom and larger units. Standardized procedures and definitions established by the Office of Housing for administration of Chapter 5.73 shall apply. Dwelling units eligible for the multifamily housing tax exemption may be counted towards the minimum 50 percent.

²²¹ LU 10.8.

²²² LU 10.3.

²²³ RCW 36.70A.040, RCW 36.70A.130, RCW 36.70A.100, and RCW 36.70A.210.

The Port also asserts the Ordinance is inconsistent and does not implement the City's Transportation Element because it fails to implement goal 5 (Improve mobility and access for the movement of goods and services to enhance and promote economic opportunity throughout the City) and goal 8 (Maintain and renew existing transportation assets to ensure the long-term viability of investments, reduce ongoing costs, and promote safe conditions.) Further that the Ordinance is contrary to policy T 5.2 (Develop a truck freight network in the Freight Master Plan that connects the city's manufacturing/industrial centers, enhances freight mobility and operational efficiencies, and promotes the city's economic health), ²²⁴ T 5.3 (Ensure that freight corridors are designed, maintained, and operated to provide efficient movement of truck traffic), and T 7.5 (Plan for the city's truck freight network, developed as part of the Freight Master Plan, to connect to the state and regional freight network, and to continue providing good connections to regional industrial and warehouse uses). The Port asserts by removing the 200-foot separation between residential uses and Major Truck Streets, and permitting multi-family development of up to 990 units adjacent to major truck streets, the Ordinance permits and will lead to additional pedestrian, cycle, truck, and other traffic accidents, undoubtedly detracting from the safe operation of those routes.²²⁵ Further, that permitting residential development in this area directly contradicts the City's policy to improve intermodal freight connections involving Port container terminals and support the efficient movement of truck traffic from the Port to regional and state transportation networks.²²⁶

The City counters the impacts have been analyzed and vehicle travel, including freight with "no measured difference in travel times compared to the "no action" alternative. ²²⁷ That the City has the only analysis of transportation, which did study up to 990 housing units, and it found no measured difference in travel times. ²²⁸ That because the overlay already calls for

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²²⁴ Port's Br. at 26, citing Policy 5.2, but it should be referenced as T 5.2.

²²⁵ *Id*.

²²⁶ Id

²²⁷ City's Br. at 41-42.

²²⁸ City's Br. at 37.

configuration that reduces potential conflicts, along with other measures, the Port has failed to establish the Ordinance substantially interference with the City's transportation goal.²²⁹ Additionally, that "... limited residential use on First Ave S is not inconsistent with the guidance for [M]ajor [T]ruck [S]treets," and that the City continues to improve mobility, and maintain transportation assets through funding and on-going projects.²³⁰

Largely the City's goals and policies call for no specific actions and as the City correctly notes, the only evidence before the Board, in terms of a study, fails to demonstrate what the Port claims. From the Board's perspective, the Port has failed to meet its burden with respect to an inconsistency with the City's transportation element.

The Port also asserts the Ordinance is contrary to the City's Container Port element because it permits residential uses along Major Truck Streets and removes the 200-foot separation requirement, and as a result, the City fails to provide sufficient land capacity for development.²³¹ The Port claims this will lead to permanently convert industrial land to a nonindustrial use.²³² And, that the City made no attempt to engage in a joint effort as contemplated by the City's Container Policy.²³³

The City refutes this indicating CP 1.5 allows for a wider range of uses within this transition area, and, that the City engaged with the Port during the adoption of 2023 Industrial Maritime Strategy, as well as at the February 24, 2025, public meeting by permitting an opportunity to present the Port's concerns, leading, in the City's view, to the "technical amendments" as "compromised legislation." Lastly, that any impacts are speculative and

²²⁹ *Id*.

²³⁰ City's Br. at 27-28.

²³¹ Port's Br. at 27, citing RCW 36.70A.115, CP 1.3 (Discourage nonindustrial land uses, such as retail and residential in industrial zoned areas to minimize conflicts and conversion of industrial lands), CP 1.7 (Provide safe, reliable, efficient, and direct access between Port marine facilities and the . . .interstate system, and between Port terminals and railroad intermodal facilities), CP 1.11 (Continue joint City and Port efforts to implement relevant Port recommendations, such as recommendations contained in the Container Terminal Access Study").

²³² Port's Br. at 28.

²³³ Port's Br. at 28, citing CP 1.11, See Port's Br. Appendix 1 (Resolution 32097).

²³⁴ City's Br. at 38, referencing CP 1.5 (Consider the value of transition areas—which allow a wider range of uses while not creating conflicts with preferred cargo-container activities and uses—at the edges of general

have been studied by the FEIS.²³⁵

As with the Transportation element, the Board is unpersuaded as there is a lack of evidence to support the Port's claims.

The Port also indicates the Ordinance violates the City's Park and Open Space Element because the City has not extended park services to the STAOD.²³⁶

The City counters that "the City-owned park and recreation system comprise about 11 percent of the total city land area and includes parklands throughout the City" and noted many other City features, and suggests the Port's 2016 study is contrasted by recent experiences from a public commenter from the neighborhood: "[W]e're half a block from the streetcar, a block from the waterfront, two blocks from the ferry system, four blocks from Uwajimaya where I shop. It's a really great neighborhood." 1 tis unclear to this Board how this addresses the Port's argument related to parks, though it does speak to whether there is a grocery store in the area, but what is clear to this Board is that, aside from the level-of-service requirement addressed elsewhere by this Order, the balance are aspirational goals without specific requirements, and the Port has failed to demonstrate an inconsistency or impairment by the adoption of this Ordinance.

Next, the Port asserts the Ordinance does not comport with the goals and policies of the Greater Duwamish Manufacturing/Industrial Center (MIC) Neighborhood Plan.²³⁸ From

industrial zones. In this context, zoning provisions such as locational criteria and development standards are among the tools for defining such edge areas.).

²³⁵ *Id.*, citing *RIN* 6, Seattle Industrial & Maritime FEIS, pp. 3-386 to 3-498.

²³⁶ Port's Br. at 29, citing PG 1 (Provide a variety of outdoor and indoor spaces throughout the city for all people to play, learn, contemplate, and build community); P 1.2 (Provide a variety of parks and open space to serve the city's growing population consistent with the priorities and level-of-service standards identified in the City's Parks and Open Space Plan); P 1.10 (Create healthy places for children and adults to play, as well as areas for more passive strolling, viewing, and picnicking.).

²³⁷ City's Br. at 39.

²³⁸ Port's Br. at 30, referencing GD-G3 (Land in the Duwamish Manufacturing/ Industrial Center is maintained for industrial uses including the manufacture, assembly, storage, repair, distribution, research about or development of tangible materials and advanced technologies; as well as transportation, utilities, and commercial fishing activities); GD-G8 (The Duwamish Manufacturing/Industrial Center remains a manufacturing/industrial center promoting the growth of industrial jobs and businesses and strictly limiting incompatible commercial and residential activities); GD-P5(Limit the location or expansion of nonindustrial uses, including publicly sponsored nonindustrial uses, in the Duwamish Manufacturing/Industrial Center); GD-

the Port's perspective, "these policies all stand for the notion that lands within a designated MIC should be reserved and preserved for industrial uses and the City must reject the encroachment of incompatible uses within the MIC . . . by strictly limiting non-industrial development in the UI zone." And here, "targets the portion of the MIC that is most critical to the Port's operations," specifically the Major Truck Streets critical to freight movement.

The City counters that the Greater Duwamish MIC specifically contemplated actions permitted by the Ordinance and was intended, since 2000, to permit stadium and stadium-related uses within the STAOD.²⁴⁰

The Board agrees with the City. The actions contemplated by the Ordinance harmonize several competing goals. As the Port notes, residential development and encroachment is discouraged, but it is not prohibited, especially against the goal of creating an overlay district limited to the area near the stadiums that discourages encroachment on nearby industrial uses, creates a pedestrian connection from the stadiums north to Downtown, and creates a streetscape compatible with Pioneer Square.

As to **Issue Nos. 6 and 8**, an inconsistency with or a failure to implement the Comprehensive Plan as it relates to the Land Use element, and an inconsistency with the Countywide Planning Policies, the Board finds Ordinance 127191 is inconsistent with the City's Comprehensive Plan and the Countywide Planning Policies and is therefore not compliant with the GMA.²⁴¹ However, the Board does not reach the same conclusion with respect to the City's Transportation, Container Port, Parks and Open Space, Growth Strategy, or Shoreline Areas elements, or the Greater Duwamish MIC Neighborhood Plan. Because the Port has failed to convince the Board of an inconsistency with those elements,

P8 (Strive to protect the limited and nonrenewable regional resource of industrial, particularly waterfront industrial, land from encroachment by nonindustrial uses.).
²³⁹ Port's Br. at 30.

²⁴⁰ City's Br. at 40, referencing GD-P20 (Seek to integrate stadium and stadium-related uses into the Duwamish MIC by creating an overlay district limited to the area near the stadiums that discourages encroachment on nearby industrial uses, creates a pedestrian connection from the stadiums north to Downtown, and creates a streetscape compatible with Pioneer Square).

²⁴¹ RCW 36.70A.040, RCW 36.70A.130, RCW 36.70A.100, and RCW 36.70A.210.

those matters are dismissed.

Furthermore, as discussed above, the Port has failed to convince the Board that the Ordinance fails to provide sufficient land capacity for future development of industrial facilities. Accordingly, **Issue No. 7 is dismissed**.²⁴²

Invalidity Determination²⁴³

The Board is charged with adjudicating GMA compliance and, when necessary, invalidating non-compliant plans and development regulations.²⁴⁴ A determination of invalidity may be issued if the Board finds the Ordinance failed to comply with SEPA, or that continued validity would substantially interfere with the fulfillment of the GMA's goals. Invalidity depends on the facts and before the Board. As we noted in *Friends of Sammamish Valley*,²⁴⁵ a local jurisdiction's authority to act is qualified by the requirements of SEPA and the failure to properly conduct the required environmental review could interfere with fulfillment of the GMA's environmental goal and, upon such a finding, invalidate the relevant ordinance.²⁴⁶ Invalidity requires three separate actions by the Board: a finding of noncompliance with the Act, with an order of remand; a determination that continued validity will interfere with the Act's goals; and identification of the specific part of the regulation, and reason for invalidity.²⁴⁷ The Board has fully addressed, above, the areas of the City's Ordinance which are noncompliant with the GMA and with this Order remanded the matter back to the City for resolution, and below addresses why invalidity is warranted.

The Port claims it has demonstrated several GMA and SEPA violations in the adoption of the Ordinance that substantial interfere with the goals and policies of the GMA such that

²⁴² RCW 36.70A.115.

²⁴³ The Port frames this as an issue (Issue 17); however, the Board views invalidity as a remedy such that it is not framed as an issue but separately briefed to explain whether it is warranted in the instant matter.
²⁴⁴ RCW 36.70A.280, RCW 36.70A.302.

²⁴⁵ Friends of Sammamish Valley v. King Cnty., GMHB No. 20-3-0004c (Final Decision and Order, January 3, 2022) at 41.

²⁴⁶ Id., citing *Davidson Serles & Assocs. v. Cent. Puget Sound Growth Mgmt. Hearings Bd.*, 159 Wn. App. 148, 158 244 P.3d 1003, 1007 (2010).

²⁴⁷ RCW 36.70A.302(1).

invalidation is appropriate principally because there is a high risk of a project vesting.²⁴⁸ The Port indicates the City's code²⁴⁹ allows for a project applications to vest upon submission or approval, depending on the application type, and in this matter there is a development and owner group intending to develop residential development.²⁵⁰ The Board also finds the effective date of the Ordinance is June 30, 2025.²⁵¹ From this finding, the Board concludes the City has not delayed or suspended the effective date of the action subject to the Petition before the Board until after the Board issues a final determination.²⁵²

The City does not directly respond to the Port's argument, and instead broadly argues that the Port's claims of substantial interference with transportation, economic development, and public facilities and service, are speculative and inconsistent with the evidence in the record. ²⁵³

The Board disagrees with the City. The failure to follow the City's public participation plan deprived the City of a Director's Report that presumably would have observed the several deficiencies found by the Board, including the failure to comply with the City's SEPA obligations, and to seek Commerce's review prior to adoption. These failures were significant in the Board's view.

Continued validity of the Ordinance substantially interferes with GMA Planning Goals 10 and 11 in RCW 36.70A.020, which are as follows:

(10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

²⁴⁸ Port's Br. at 2-3, citing RCW 36.70A.302(1)(b); *Friends of Clark Cnty. v. Clark Cnty.*, GMHB No. 22-2-0002 (Final Decision and Order, March 22, 2023) at 23; and *Futurewise v. Whatcom Cnty.*, GMHB Nos. 11-2-0010c, 05-2-0013 (Compliance Order and Order Following Remand on Issue of LAMIRDs, January 4, 2013) at 90. See also Port Reply at 3 and 10.

²⁴⁹ SMC 23.76.026.

²⁵⁰ Port's Br. at 4., referring to property owned by an owner's group controlling most of three contiguous blocks in the Stadium District (the "WSA Property") that presented renderings, site plans, and other information during the adoption of the Ordinance.

²⁵¹ See Amendment G to CB 120933.

²⁵² Per WAC 242-03-820(2)(b). However, the Parties have agreed to stay the effective date of the Ordinance by order in King County Superior Court in Case No. 25-2-10758-2 SEA. ²⁵³ Citv's Br. at 40-41.

(11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

The facts of this matter support a finding that the Ordinance substantially interferes with GMA Planning Goal 10. As noted above, SEPA is an environmental full disclosure law²⁵⁴ that requires local jurisdictions to analyze the environmental effects of proposed actions in order to achieve good land use decision-making by involving and informing both the public and the decision-makers about the environmental consequences of proposed actions.²⁵⁵ The Court of Appeals has stated that failure to comply with SEPA review can justify a finding of invalidity:

On the appropriate facts, the Board could find that failure to properly conduct the required environmental review for a city or county action interfered with fulfillment of the GMA's environmental goal and, upon such a finding, could invalidate the relevant ordinance.²⁵⁶

The City's authority to act is qualified by the requirements of SEPA. Completion of a SEPA document is a legal prerequisite to the County's action. It is incumbent upon a jurisdiction to establish *prima facie* SEPA compliance, which the City did not do in this matter. This action interferes with GMA Planning Goal 10. As set forth in the briefing in this matter, development authorized by the Ordinance could have impacts to surrounding land uses, traffic, and noise. SEPA is intended to address, identify, analyze, disclose, and consider mitigation of those impacts. Failure to follow the procedural requirements of SEPA fails to meet that intent and substantially interferes with GMA Planning Goal 10.

Vesting of development in the area would render the SEPA procedures as ineffectual and moot -- if such project vesting were to occur, then the remand of this case to the City would be meaningless and there would be no practical way to address SEPA compliance.

²⁵⁴ Norway Hill Pres. & Prot. Ass'n v. King County Council, 87 Wn.2d 267, 272, 552 P.2d 674 (1976).

²⁵⁵ Dartford Austin Neighborhood v. Spokane Cnty., GMHB No. 21-1-0004 (Final Decision and Order, September 14, 2021) at 9.

²⁵⁶ Davidson Serles & Assocs. v. Cent. Puget Sound Growth Mgmt. Hearings Bd., 159 Wn. App. 148, 158, 244 P.3d 1003, 1008 (2010).

This action also interferes with GMA Planning Goal 11. The failure to comply with proper SEPA procedures also denied the public an opportunity to file an appeal and have an open record hearing with the City Hearing Examiner, which in turn would develop a record for subsequent consideration by this Board and a subsequent court - an element of public participation. Again, subsequent public process would be ineffective and moot if vesting of a project in the area were to occur.

The Board finds these deficiencies substantially interfered with goals and requirements of the GMA and a determination of invalidity of the entirety of the Ordinance is warranted. Accordingly, Ordinance 127191 is declared invalid.²⁵⁷

V. ORDER

Based upon review of the Petition for Review, the briefs and exhibits submitted by the parties, the GMA, prior Board orders and case law, having considered the arguments of the parties, and having deliberated on the matter, the Board finds:

- The City has failed to comply with SEPA's procedural requirements;
- The Board defers consideration of Issues 15 and 16;
- Ordinance 127191 is non-compliant with the GMA;
- Ordinance 127191 is remanded to the City for compliance pursuant to the following schedule below; and
- Continued validity of Ordinance 127191 substantially interferes with the fulfillment of GMA Planning Goals 10 and 11 and therefore declares it invalid.

Fax: 360-586-2253

²⁵⁷ RCW 42.31C.030(C); RCW 36.70A.300.

Item	Date Due
Compliance Due	May 11, 2026
Compliance Report/Statement of Actions Taken to Comply and Index to Compliance Record	May 25, 2026
Objections to a Finding of Compliance	June 8, 2026
Response to Objections	June 18, 2026
Telephonic Compliance Hearing Zoom link to be provided at a later date.	June 25, 2026 1:00 p.m.

Length of Briefs – A brief of 15 pages or longer shall have a table of exhibits and a table of authorities. WAC 242-03-590(3) states: "Clarity and brevity are expected to assist a board in meeting its statutorily imposed time limits. A presiding officer may limit the length of a brief and impose format restrictions." The City's Compliance Report/Statement of Actions Taken to Comply shall be limited to 25 pages, 35 pages (Petitioner/Port) and 10 pages (BNSF/Intervenor) for the Objections to Finding of Compliance, and 20 pages for the Response to Objections.

SO ORDERED this 10th day of November, 2025.

Mark McClain, Board Member

MS

Rick Eichstaedt, Board Chair

Alex Sidles, Board Member

Note: This is a final decision and order of the Growth Management Hearings Board issued pursuant to RCW 36.70A.300.²⁵⁸

²⁵⁸ A party aggrieved by a final decision of the Board may appeal the decision to Superior Court within thirty days as provided in RCW 34.05.514; RCW 36.01.050. See *also* RCW 36.70A.300(5); WAC 242-03-970. It is

Appendix A: Procedural matters

Hearing on the Merits

The Hearing on the Merits convened October 7, 2025. The Board initially addressed under Preliminary Matters the Board's October 3, 2025, Order Granting, in Part, the Port's request to supplement the Record. The City did not wish to provide argument against the Board's Order and did not object to the inclusion. However, the City raised objection to the Port's referencing matters which were not included in the Record. The Board did not consider matters which were not included within this record in reaching its decision and afforded no weight to any argument not supported by the Record.

incumbent upon the parties to review all applicable statutes and rules. The staff of the Growth Management Hearings Board is not authorized to provide legal advice.

Fax: 360-586-2253