



## Legislative Department Seattle City Council Memorandum

**Date:** January 31, 2014  
**To:** Committee on Housing Affordability, Human Services, and Economic Resiliency (CHASER)  
**From:** Sara Belz, Council Central Staff  
**Subject:** **Council Bill (CB) 117991: Proposed Changes to City Wall Sign Regulations**

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In 2011, Councilmember Clark began working with the Department of Planning and Development (DPD), Central Staff, and the Law Department to craft a package of amendments to the City's wall sign regulations. Wall signs are regulated under the City's Sign Code, which is Chapter 23.55 of the Seattle Municipal Code (SMC). Last year, DPD published a SEPA determination (Determination of Non-Significance or DNS) on a proposed ordinance developed at Councilmember Clark's request. The ordinance, which was recently introduced as CB 117991, would make the following changes to the Sign Code:

- Establish a 287 square foot area limit for all new on-premise wall signs located in Commercial, Seattle Mixed, Industrial, and Downtown zones;
- Clarify existing definitions that apply to on-premise wall signs; and
- Increase penalties for violations of certain Sign Code regulations from \$500/day to \$1,500/day.

Within the City of Seattle, off-premise signage is only permitted on existing registered billboards. CB 117991 was developed in response to a combination of factors that have resulted in advertising companies attempting to use large, on-premise wall signs within the City of Seattle for off-premise purposes. Those factors include: (1) changes in sign production methods that have made it easier and much less expensive to fabricate large wall signs; (2) the absence of area limits for most wall signs; (3) an existing SMC definition of on-premise signage that does not explicitly prohibit new methods of accessing off-premise products or services; and (4) fines that are not sufficient to deter some violations of the Sign Code.

A full copy of the DPD Director's Report prepared to accompany CB 117991 is attached to the agenda for the February 20, 2014, CHASER meeting.

### **Area Limits for On-Premise Wall Signs**

Area limits do not currently apply to most of the on-premise wall signs located in Seattle's Commercial, Seattle Mixed, Industrial, and Downtown zones; and in recent years, the number of very large wall signs installed in those areas has increased. Between 2003 and 2007, DPD received 34 applications for wall signs in excess of 672 square feet (the size of a large

billboard).<sup>1</sup> During the subsequent five-year time period, between 2008 and 2012, that figure climbed to 63, an increase of 85%.

As the number of large wall signs installed in the City has grown, so has the number of complaints DPD has received regarding possible, associated Sign Code violations. The concerns raised about these signs include their potential to distract drivers, create visual blight, and cause confusion about the scope of the business activities that are actually taking place on-site. Large wall signs are often installed on buildings constructed at or near property lines that have sizeable blank walls. The revenues associated with large wall sign spaces on buildings in desirable locations – meaning locations that attract a lot of viewers, including motorists and pedestrians – can potentially run as high as \$40,000 per month.

DPD recently examined wall sign permit data collected since 2003 and found that approximately 97 percent of the on-premise sign permits it issued over the last ten years were for signs with a total area of less than 287 square feet. The average size of on-premise wall signs permitted during that same time period was 83 square feet. However, very large wall signs, including signs in excess of 1,500 and even 6,000 square feet, are also installed in Seattle.<sup>2</sup> While they may represent a relatively small percentage of all wall signs, their visual impact, due to their size, can be significant.

CB 117991 would apply a 287 square foot area limit to all new wall signs in Commercial, Seattle Mixed, Industrial, and Downtown zones in order to help reduce driver distraction and enhance the appearance of public streets and thoroughfares by reducing visual blight. The proposed area limit would also aid in restoring the distinction between on-premise and off-premise signs by (1) strengthening the important purpose of allowing on-premise businesses to communicate information about what is actually occurring on-site and (2) reducing the incentive for property owners and/or tenants to lease out on-premise sign space in exchange for revenues from what are, essentially, off-premise advertisements. If passed, CB 117991 would not have an impact on existing permitted wall signs in excess of 287 square feet so long as such signs remain in compliance with all other elements of the Sign Code.

### **Clarify Definitions of Certain Signs**

In recent years, the City has seen an increase in the number of businesses attempting to (1) sell or offer gift cards or gift certificates associated with a product or service that is featured on an on-premise wall sign but cannot be obtained on-site or (2) offer customers use of a computer, phone or other device so they may buy a product featured on an on-premise sign from an off-site retailer, rather than actually selling the product on the premises. These practices are inconsistent with the intent and language of the Sign Code.

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<sup>1</sup> The registered billboards located in Seattle are generally one of two sizes: 288 square feet or 672 square feet.

<sup>2</sup> Photographs of example signs appear on pp.7-10 of the DPD Director's Report attached to the February 20, 2014, CHASER agenda.

To help address this issue, CB 117991 would clarify existing definitions in the Sign Code that apply to on-premise signs, including wall signs. More specifically, it would amend the Sign Code to make clear that selling or giving away gift cards or gift certificates (or other similar documents) that can be exchanged for products or services that are featured on an on-premise sign but not sold or produced on the site where the sign is located does not meet the definition of an on-premise sign. Providing customers with access to phones, computers or any other devices that they could use to obtain a product or service that is featured on an on-premise sign but not directly available on-site would also be prohibited.

These changes to the definition of “on-premise sign” would be applied to all such signs once the legislation becomes effective. The only exception would be if DPD approved the use of a gift certificate or the like before the definition was amended. If this occurred and the permittee can establish that it is the same business establishment that received the original permit and that the gift certificate (for example) is for the product shown on the permitted sign, the permittee would be allowed to continue to sell or distribute such gift certificates until the permittee changes the copy on the sign.

#### **Increased Penalty Amount for Violations**

CB 117991 also calls for increasing the penalties associated with violating the City’s wall sign regulations. The current penalty for such a violation is \$500 per day. As is noted above, the revenues associated with very large sign walls installed on buildings in highly visible locations can potentially be as high as \$40,000 per month. Thus, the current daily penalty is too low to deter some parties from violating the Sign Code. Under CB 117991, the penalty associated with installing a wall sign that is inconsistent with the Sign Code would be increased from \$500 per day to \$1,500 per day, per sign violation, for each day the violation exists. The collected fine revenues from these violations would then be directed to DPD’s Operations Division, which includes the Department’s sign and billboard inspection practice.

#### **Next Steps**

Following CHAHSER’s February 20, 2014, meeting, the Committee’s next opportunity to discuss CB 117991 will be on March 6, when Central Staff will present a decision agenda for Committee members’ review. If, in the meantime, you have questions about CB 117991 or the City’s wall sign regulations more generally, please feel free to contact me at any time (4-5382 / [sara.belz@seattle.gov](mailto:sara.belz@seattle.gov)).