



Legislative Department Seattle City Council Memorandum

Date: September 16, 2013
To: Committee on Economic Resiliency and Regional Relations (CERRR)
From: Sara Belz, Council Central Staff
Subject: **Proposed Changes to City Wall Sign Regulations**

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. Earlier this 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 has not yet been introduced, 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 provisions.

A full copy of the DPD Director's Report prepared to accompany Councilmember Clark's legislative proposal is attached to the agenda for the September 17, 2013, CERRR 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. Over the last few years, the number of very large wall signs installed in these areas has increased. More specifically, between 2003 and 2007, DPD received 34 applications for wall signs in excess of 672 square feet (the size of a large billboard).¹ 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 increased, 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 the sites where large wall signs are located. Large wall signs are often installed on buildings constructed at or near property lines that have sizeable blank walls. The gross rent for a large wall sign space in a desirable location – meaning a location that attracts a lot of viewers, including motorists and pedestrians – can potentially run as high as \$40,000 per month.

DPD 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.² While they may represent a relatively small percentage of all wall signs, their visual impact, due to their size, can be significant.

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

² Photographs of example signs appear on pp.7-10 of the DPD Director's Report attached to the September 17 CERRR agenda.

Councilmember Clark's proposal calls for applying 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 was also devised to help restore the distinction between on-premise and off-premise signs by 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 adopted, Councilmember Clark's proposal would not affect existing permitted wall signs in excess of 287 square feet so long as such signs remain in compliance with all other components of the Sign Code.

Clarify Definitions of Certain Signs.

Within the City of Seattle, off-premise signage is only permitted on existing registered billboards. Together with the near absence of wall sign area limits in Commercial, Seattle Mixed, Industrial, and Downtown zones, this restriction has led some businesses to make the content of what are effectively off-premise signs appear to identify products or services found on the sites where their signs are located. In exchange for a portion of the rent revenues associated with installing such signs on their buildings, some property owners and/or tenants agree to 1) sell or offer gift cards or gift certificates associated with the advertised product; or 2) offer customers use of a computer or phone so they may buy the featured product or service from another retailer that is located off-site. These practices are not consistent with the intent of the Sign Code.

To help address this issue, Councilmember Clark's proposal 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 fulfill the requirements for an on-premise sign permit. 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. If these proposed amendments are adopted, owners of existing on-premise signs would be required to bring their signs into conformance with the new definitions or potentially face an enforcement action.

Increased Penalty Amount for Violations.

Councilmember Clark's proposal 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 gross rent associated with very large sign walls 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 Councilmember Clark's proposal, 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.

Next Steps

With the Council's review of the Mayor's 2014 Proposed Budget scheduled to begin next week, further CERRR deliberation on this issue is not expected to occur until at least December. If, in the meantime, you have questions about the regulatory proposal described in this memorandum, please feel free to contact Councilmember Clark or me at any time.