

EXHIBIT “M”

RESOLUTION 1461

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SNOQUALMIE, WASHINGTON, ADOPTING FINDINGS OF FACT, CONCLUSIONS OF LAW AND CONDITIONS APPROVING THE SALISH LODGE & SPA EXPANSION PLANNED RESIDENTIAL / PLANNED COMMERCIAL INDUSTRIAL (PR / PCI) MASTER PLAN, NO. PCI 18-0001.

WHEREAS, the City of Snoqualmie (“City”) and the Muckleshoot Indian Tribe (“MIT”) are parties to the Amended and Restated Development Agreement entered into on May 9, 2016 (“Development Agreement”); and

WHEREAS, the Development Agreement provides the terms and conditions governing the development of properties commonly known as the Tokul Parcel and Morgan Parcels with a conference-oriented hotel with up to 250 rooms, approximately 25,000 square feet of meeting space, a spa, a restaurant and bar with up to 570 seats, recreational facilities of approximately 12,000 square feet, a minipark and trails, and construction of a roundabout to realign the intersections of Tokul Road, State Route (“SR”) 202, Stearns Road and SE Mill Pond Road; and

WHEREAS, the Development Agreement requires that, prior to any development, MIT shall obtain a Planned Commercial/Industrial and Planned Residential Master Plan approval; and

WHEREAS, on April 2, 2018, MIT submitted its application for approval of the Salish Lodge & Spa Expansion Planned Residential / Planned Commercial Industrial (PR / PCI) Master Plan, No. PCI 18-001 (“PR / PCI Master Plan Application”); and

WHEREAS, on April 30, 2018, the City determined the PR / PCI Master Plan Application to be complete; and

WHEREAS, under SMC Section 17.15.050(I) and SMC Section 17.20.050(K), a Planned Commercial/Industrial and Planned Residential Master Plan application is subject to the process and requirements for a Planned Unit Development application as described in SMC Section 17.50.090; and

WHEREAS, SMC Section 17.50.090(D), (E) and (F) require the Planning Commission to hold a public hearing and make a recommendation to the City Council, followed by review and final decision by the City Council on the PR/PCI Master Plan Application; and

WHEREAS, the Planning Commission held a public hearing on July 16, 2018, and deliberated upon the PCI/PR Master Plan Application at the July 25, August 6, and August 14, 2018 regular and special Planning Commission meetings; and

WHEREAS, on August 14, 2018, the Planning Commission adopted Planning Commission Resolution No. 2018-01, a copy of which is attached as Exhibit 1 to this Resolution No. 1461; and

WHEREAS, Planning Commission Resolution No. 2018-01 adopted Findings of Fact, Conclusions of Law and Conditions of Approval, and recommended that the City Council approve the PR/PCI Master Plan Application; and

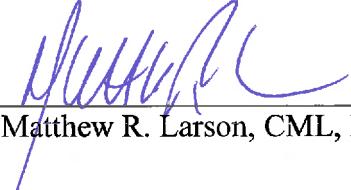
WHEREAS, the City Council considered the PCI/PR Master Plan as well as the record compiled by the Planning Commission at the City Council's August 27, September 10, September 24, October 8, October 22, October 24, and October 29, 2018 regular and special City Council meetings; and

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOQUALMIE, WASHINGTON, as follows:

Section 1. Findings of Fact, Conclusions of Law. The City Council hereby makes and enters the Findings of Fact and Conclusions of Law contained in Exhibit A attached to and incorporated into this Resolution by this reference.

Section 2. Approval of Salish Lodge & Spa Expansion Planned Residential and Planned Commercial/Industrial Master Plan. Based on the Findings of Fact and Conclusions of Law adopted in Sections 1 above, and pursuant to SMC Sections 17.15.050(I), 17.20.050(K) and 17.50.090(F) the City Council hereby approves No. PCI 18-0001, the Salish Lodge & Spa Expansion Planned Residential and Planned Commercial/Industrial Master Plan, subject to all of the Conditions of Approval set forth in Exhibit A to this Resolution, which Conditions are incorporated into this Resolution by reference as if set forth herein in full.

PASSED by the City Council of the City of Snoqualmie, Washington this 29th day of October, 2018.



Matthew R. Larson, CML, Mayor

Attest:



Jodi Warren, MMC, City Clerk

Approved as to form:



Bob C. Sterbank, City Attorney

ATTACHMENT A

FINDINGS OF FACT AND CONCLUSIONS OF LAW

PCI 18-0001, Salish Expansion Planned Residential and Planned Commercial/Industrial Master Plan

The Snoqualmie City Council hereby makes the following findings of fact and conclusions of law. Any finding of fact that should properly be considered to be a conclusion of law, and any conclusion that should properly be considered to be a finding of act, shall be so considered.

I. FINDINGS OF FACT

State Environmental Policy Act Review

1. In 2001, Gateway Cascades (“Gateway”) prepared and submitted to the City of Snoqualmie (“City”) an expanded environmental checklist (“Expanded Checklist”) under State Environmental Policy Act, Ch. 43.21C RCW (“SEPA”), for construction of a proposed 250-room conference-oriented hotel, a 110-home residential subdivision, and realignment of Tokul Road and its intersection with State Route (“SR”) 202, all on property known as the Morgan and Tokul Parcel.
2. Gateway’s proposal, as described in the Expanded Checklist, included: adoption of an Annexation Implementation Plan; adoption of amendments to Chapters 17.15 and 17.20 of the Snoqualmie Municipal Code; approval of a development agreement under RCW 36.70B.170; annexation approval; approval of Planned Commercial / Industrial and Planned Residential Plans pursuant to Title 17 of the SMC; and issuance of development permits/approvals for construction of a 250-room hotel/conference center, residential dwelling units, minipark and trails, and realignment of Tokul Road.
3. The Expanded Checklist is comprised of two volumes. Volume I totals 129 pages and includes a completed environmental checklist addressing the potential for significant impacts to the elements of the natural and built environment itemized in WAC 197-11-444, an expanded analysis of certain elements of the environment (water, wetlands, land use, and the proposal’s relationship to adopted plans and policies), and a list of 69 proposed mitigation measures. Volume II totals 593 pages in seven (7) technical appendices, including: a Soils, Ground Water and Geologic Hazards report (276 pages); a Drainage Report (39 pages); a Water Quality report (48 pages); a Wetlands and Wildlife Assessment (131 pages) a Transportation report (67 pages); a Preliminary Engineering report (24 pages) and copies of relevant Zoning Code amendments (8 pages).

- i. Letter of Comment from the State of Washington Department of Archaeology & Historic Preservation (“DAHP”), dated June 26, 2018, and prepared by Gretchen Kaehler for the Salish Lodge and Spa Expansion PCI 18-0001, Archaeological Investigation Report: Morgan Parcels, Snoqualmie Falls, King County, Washington.

Annexation Implementation Plan

8. By motion of the City Council approved on July 14, 2003, and as contemplated by Gateway’s proposal described in the expanded environmental checklist and the MDNS, the City approved the Snoqualmie Falls Planning Area Annexation Implementation Plan, which included the Morgan and Tokul Parcels.

Amendment of Snoqualmie Municipal Code provisions.

9. By adoption of Ordinance No. 933 on August 13, 2003, the Snoqualmie City Council amended Chapters 17.15 and 17.20 of the Snoqualmie Municipal Code, thereby adjusting development regulations concerning Planned Residential and Planned Commercial / Industrial Plans.
10. By adoption of Ordinance No. 949 on March 8, 2004, the Snoqualmie City Council established zoning designations for the Morgan and Tokul Parcels consistent with their corresponding land use designations in the Snoqualmie Comprehensive Plan, “to-wit, Planned Residential, SMC 17.15.050 and Planned Commercial/Industrial, SMC 17.20.050, such zoning to be effective immediately upon annexation, to be effective upon annexation of those properties into the City of Snoqualmie.”

Annexation of Morgan and Tokul Parcels.

11. By adoption of Ordinance No. 950 on March 8, 2004, the Snoqualmie City Council annexed the Morgan and Tokul Parcels into the City of Snoqualmie.

Development Agreement

12. By motion adopted on March 8, 2004 and ratified by subsequent adoption of Resolution No. 703 on April 12, 2004, the Snoqualmie City Council approved a Development Agreement with Gateway for development of the Morgan Parcel and Tokul Parcels.
13. The City and Gateway agreed to amend the Development Agreement on June 14, 2005 (“First Amendment”), approved by the City Council via Resolution No. 751, due to changed circumstances.
14. The City and Gateway agreed to a Second Amendment to the Development Agreement (“Second Amendment”), which was approved by the City Council by Motion on April 9, 2007, to correct the legal description for the Morgan Parcel.

15. Gateway conveyed the Tokul Parcel to the City in June 2005, for the purposes of constructing the Tokul Roundabout.
16. The Muckleshoot Indian Tribe (“MIT”) purchased the Morgan Parcel from Gateway in October 2007.
17. The City and MIT agreed to further amend the Development Agreement on March 23, 2009 (“Third Amendment”), approved by the City Council via Resolution No. 895, in order to extend the reservation of sewer capacity.
18. The City and MIT agreed to further amend the Development Agreement on February 8, 2010 (“Fourth Amendment”), approved by the City Council via Resolution No. 940, to extend the term of the Development Agreement, provide for a Muckleshoot Tribe voluntary traffic mitigation contribution of \$430,000 towards the Tokul Roundabout costs, and increase the number of allowed homes from 110 to 175.
19. The City and MIT agreed to further amend the Development Agreement on December 10, 2012 (“Fifth Amendment”), approved by the City Council via Resolution No. 1175, to provide for an additional MIT voluntary contribution of approximately \$1.6 million for the purpose of constructing the Tokul Road Roundabout to mitigate potential traffic impacts, and to also revise the term of the Development Agreement.
20. The City and MIT agreed to an amended and restated development agreement on May 9, 2016.
21. The Amended and Restated Development Agreement provides for the development of the following land uses: A 250-room hotel with approximately 25,000 square feet of meeting space, restaurant and bar with approximately 570 seats, and recreational facilities of approximately 12,000 square feet; and up to 175 residential units.

PCI / PR Plan Process

22. Per SMC 17.15.050(A), a Planned Residential application is required for parcels zoned PR and larger than 2 acres in size.
23. Per SMC 17.20.050(B), a Planned Commercial/Industrial application is required for parcels zoned PCI and larger than 2 acres in size.
24. The Project consists of two or more contiguous parcels in common ownership which lie within the PR, PCI, and BR-2 zones. Per SMC 17.15.050(D) and SMC 17.20.050(D), the owner may submit a combined PR/PCI Master Plan application including all properties.
25. The MIT submitted an application for a Planned Residential and Planned Commercial/Industrial Master Plan on April 2, 2018.

- d. Letter from the Gretchen Kaehler of the Washington State Department of Archaeology and Historic Preservation to Mark Hofman of the City of Snoqualmie, dated June 26, 2018;
- e. Letter from Steven Mullen-Moses of the Snoqualmie Indian Tribe to Dr. Allyson Brooks of the Washington State Department of Archaeology and Historic Preservation, dated July 10, 2018;
- f. Letter and attachments from Virginia Cross, Chairperson of the Muckleshoot Tribal Council to Mark Hofman of the City of Snoqualmie, dated July 13, 2018;
- g. Letter from Robert de los Angeles, Chairman of the Snoqualmie Tribal Council to Mark Hofman of the City of Snoqualmie, dated July 12, 2018;
- h. Conceptual View from Tokul Road, by the Applicant Muckleshoot Indian Tribe, dated April 30, 2018 and received July 9, 2018; and
- i. Emailed public comments as follows:
 - i. Mary Norton commented on jobs-housing balance, affordable housing, and trail connections.
 - ii. Tim Sonnichsen commented on the potential for future plans for a casino on the property, traffic impacts, and the SR 202 Snoqualmie River bridge; and
 - iii. The Snoqualmie Indian Tribe's Steven Mullen-Moses e-mailed the Washington State Department of Archaeology and Historic Preservation Director Allyson Brooks and Assistant State Archaeologist Gretchen Kaehler, and Snoqualmie Community Development Director Mark Hofman, attaching a copy Mr. Mullen-Moses' July 10, 2018 letter to Allyson Brooks regarding "Salish Lodge and Spa Expansion Archaeology Report."

33. At the July 16, 2018 public hearing, the following introductory remarks and information were presented:

- a. Mark Hofman, City of Snoqualmie Community Development Director, briefly summarized the City planning history regarding the project and the procedural history of the application;
- b. Madrienne Salgado, Government Relations Manager for the MIT, provided an overview of the MIT and its role;
- c. Rachel Nathanson, for the MIT, provided a brief overview of the proposal; and
- d. Ron Mitchell, MG2 Architects for the MIT, provided an overview of the proposed hotel.

34. At the July 16, 2018 public hearing, the following persons provided testimony:

- a. Michael Ross, Snoqualmie Indian Tribe Councilmember representing the Snoqualmie Indian Tribe;
- b. Tom Clark, Compass Outdoor Adventures;

19.7 acres would be developed with the hotel and associated commercial facilities; 29.9 acres would be developed with up to 150 residential units.

41. The Project site has a long history of human use. According to the Snoqualmie Indian Tribe's July 12, 2018 comment letter, the applicant Muckleshoot Indian Tribe's Cultural Resources Assessment indicates that "as long as people have been living in the Snoqualmie Valley, they would have used this gentle sloping glacial outwash terrace for a wide variety of activities, including but not limited to: harvesting plants for food, medicine and tools; hunting; a safe defensive position; and for burying their dead." More recently, prior to acquisition of the property by first Gateway and then the Muckleshoot Tribe, the Project site was used for commercial logging. Historic photographs in the record show that the site was first logged shortly after the turn of the last century, after construction of the Snoqualmie Falls hydroelectric plant and around the time of construction of the Salish Lodge, and that by 1920 the Morgan Parcel had been extensively logged. The Expanded Checklist and PR/PCI Master Plan narrative indicate that the site is currently characterized by forest of varying age; the western side of the Morgan Parcel contains trees between 50-75 years of age, while the remainder of the Parcel contains third-growth evergreen trees between 15-20 years old.
42. The Project site is located across SR 202 to the east and uphill of Snoqualmie Falls. Like the Project site, the Falls have also been a locus of human activity for an extended period of time. According to the Snoqualmie Tribe's July 12, 2018 comment letter, the Falls occupy a central place in the Snoqualmie Tribe's creation story. And, as summarized in the 1996 Cultural Resources Mitigation and Management Plan cited in the Snoqualmie Tribe's July 12, 2018 letter, the Falls have been affected since at least 1889 by tourist visitation from the then-contemporaneous construction of the Seattle Lakeshore and Eastern railroad, construction in 1898 of the dam at the top of the Falls and underground hydroelectric plant, now operated by Puget Sound Energy, construction in 1916 of the Salish Lodge immediately overlooking the Falls and operation of the Lodge (now by the applicant Muckleshoot Indian Tribe) since that time, and construction and operation of a public observation platform and park overlooking the Falls (owned and operated by PSE) as well as a gift shop (owned and operated by the Muckleshoot Indian Tribe). Privacy and isolation are currently relatively limited at the Falls, which now average approximately 1.5 – 2 million visitors per year, according to the 1996 Cultural Resources Mitigation and Management Plan along with public testimony (T. Sroufe).
43. The Snoqualmie Falls Traditional Cultural Property ("Falls TCP") is listed on the National Register of Historic Places. The Falls TCP was determined to be eligible for listing in 1991, but was not listed on the National Register until 2009. Based on the nomination form filed with the National Register, and the 1996 Cultural Resources Mitigation and Management Plan, the boundaries of the Falls TCP include the

waterfall itself, the rim of the bedrock walls, and the plunge pool below the Falls. No part of the Project site is located within the Falls TCP boundaries.

44. The Project site is a suitable location for construction of an expansion of the Salish Lodge & Spa. Expansion of the Salish Lodge at the Lodge's current site would require taller buildings on the existing Lodge footprint, or additional construction on or immediately adjacent to the rock walls immediately overlooking the Falls. Such an expansion would be within or immediately adjacent to the Falls TCP. The Project site, by contrast, is located across SR 202 but remains close enough to the existing Lodge (a short drive or walk) to provide a suitable location for its expansion. The Project site is suitably sized to provide sufficient parking and other infrastructure necessary to support the Project, and the site is located in close proximity to City water and wastewater treatment facilities that will serve the Project. In addition, the Project site has a sloping gradient, and has trees aged 50-70 years on its western portion. The site slope and existing trees will shield the hotel expansion from view from the Falls observation platform while helping avoid additional construction immediately adjacent to Snoqualmie Falls.
45. The Project will provide a minimum of 13.7 acres of open space, including 12.5 acres on the hotel site and an undetermined amount on the residential site; soft surface and accessible trails throughout the development including a trail along Tokul Road to help connect the existing Centennial Trail and Snoqualmie Valley Trail; and a neighborhood park of approximately 2 acres in the residential component.
46. The PCI portion of the Project would be constructed in phases, including Phase 1 to include the lower parking lot expansion, 93 hotel rooms, and the meeting and event space; Phase 2 to include the spa and fitness center; and Phase 3 to include either an additional 89 hotel rooms and 30 managed residences, or zero (0) hotel rooms and 60 managed residences. Depending on how the applicant chooses to construct Phase 3, the hotel buildout would comprise one of two scenarios: (1) buildout of the hotel component would include a total of 182 hotel rooms and 30 managed residences; or (2) buildout of the hotel component would include a total of 93 hotel rooms and 60 managed residences. Either scenario would also include meeting and event space, fitness center, and associated parking. Per the Project milestone dates specified in the Amended and Restated Development Agreement, the PR/PCI Plan proposes completion of Phases 1-3 of the hotel development by 2022.
47. The residential component of the Project is proposed to be constructed separately. While the PR Plan does not include a final lot layout (this will be fixed at the subdivision phase), as outlined on pages 4 and 7-8 of the PR / PCI Master Plan submittal narrative, the Project would provide a mix of three housing types, including single-family lots varying from 5,000 – 10,000 square feet; townhomes; and duplexes, condominiums or multiplex units. Single-family lots will make up no more

than 80% of all the units, and not less than 50%. Of the remaining units, no more than 75% will be the same type. Overall gross density for the residential area will be approximately 5 dwelling units per acre, with varying density per type of housing.

48. The entire Project is proposed to connect to and be served by existing city water infrastructure using an onsite, looped system that connects a new, 8-inch water main to the existing 16-inch main currently serving the existing Salish Lodge & Spa, crosses the new 8-inch main under State Route 202, traverses the site, parallels Tokul Road, then crosses under Tokul Road and connects to City facilities near the City's Public Works Shop, southeast of the Project site across Tokul Road. The proposed water system is shown on Figure 3 of the PR/PCI Master Plan submittal.
49. The entire Project, including both the hotel component and residential component, is proposed to connect directly to the City's wastewater treatment plant by crossing under Tokul Road and connecting with the wastewater treatment plant located east of the Project site, across and southeast of Tokul Road. The proposed sewer system is shown on Figure 3 of the PR/PCI Master Plan submittal.
50. The proposed development would provide individual stormwater infiltration ponds, sized at approximately one acre each, for both the hotel and residential components. For conceptual purposes of the PR/PCI Master Plan application, these ponds are shown on Figure 3 PR/PCI Master Plan submittal on the east side of the site adjacent to Tokul Road. The exact size, location, and design of the ponds would be determined during subsequent permit review.
51. Access to the site would be via two entrances: a primary entrance approximately 1,000 feet north of the Tokul Roundabout, and a secondary entrance to the residential component from Tokul Road in the northern portion of the site. Access to the site is depicted on the Illustrated Site Plan contained in Appendix A to the PR/PCI Master Plan submittal.
52. The PR/PCI Master Plan indicates the area for the residential development. It does not provide a detailed lot layout, which would be prepared at the time of subdivision approval.

Mitigation of Environmental Impacts

53. The City's SEPA Responsible Official previously reviewed the potential significant, adverse environmental impacts of the PR/PCI Master Plan and determined that they are within the range of impacts previously disclosed and analyzed in the Expanded Checklist, the June 11, 2003 MDNS, and the January 1, 2016, May 9, 2016 and July 13, 2018 Addenda.